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The Nation's Business

Election Campaign Needs Constructive Leadership
Clamoring of Hard Times Makes No Votes
Business Editors See Business on Mend in U.S.
Propaganda Imperils Book Paper Development

ELECTIONEERING NOT ON HIGH PLANE

AN ATTEMPT dispassionately to appraise the merits of the campaigns of Liberals and Conservatives, leads to the conclusion that the Conservative managers are in grave danger of throwing many votes to the Liberals. The Conservatives, without a doubt, have overdone the talk of hard times and have promised too much if they are granted a majority in the house of commons.

Only a prejudiced mind is convinced that we have had in Canada in the last four years an execrable government. On the contrary, the government has been a reasonably good one. Inevitably, there have been mistakes and these have contributed to our economic problems. But it is only a very bad government which can ruin business and the very best government can do no more than help business. Business is good or bad in accordance with fundamental economic conditions and in proportion to the ability of business management to take advantage of favorable economic conditions, or to minimize the effect of trying conditions.

An Opposition which blames a reasonably efficient government for hard times is crediting that government with more power than it possess; a government which claims all of the credit for good times is extraordinarily egotistical.

* * *

WHILE the Conservative campaign appears to be concentrated on impressing a spirit of gloom on the voters, there is a portion of the Liberal press, led by the Toronto Star, and a number of Liberal campaigners, who are delighting in circulating reports of unemployment in the United States with the object of convincing the electorate that the King government is responsible for the better conditions which prevail in Canada. This we believe to be a journalistic as well as a political mistake. There has been plenty of progress in Canada in the last several years and for some of this the Liberal government may claim a share of the credit. But a campaign which seeks principally to convince the voter that conditions are bad elsewhere is not constructive and has already done harm commercially—will do more harm every day it is continued.

* * *

THE United States is an important country commercially. Poor business there for a prolonged period will be felt throughout the commercial world and more particularly in neighboring countries. Canada, fortunately, is perhaps not now so dependent on its more populous neighbor as in other times, but there is no doubt that the business community on this side of the border watches conditions in the United States closely. Propaganda, therefore, purporting to show United States conditions to be bad, may if successful retard progress in this country. Surely it is bad politics for a party seeking re-election to campaign in such a manner. Surely it is bad business and unpatriotic.

The inference of the Star's campaign is that a tariff wall newly raised to unprecedented height has not been effective in reducing United States unemployment. The fact is that the new tariff in the United States has not been in force long enough to have had any appreciable effect, good or bad.

* * *

IT IS not unusual for the politician to underestimate the intelligence of the voter. Yet, at the beginning of the campaign there was reason to hope that the canvass on both sides would be confined to reasoned presentation of sound policies, of sane discussion of national problems. Instead of this most speakers, with a few notable exceptions, and many newspapers, have descended to clamoring based on assumptions not justified, fortunately, by the facts.

There are some days left before the voting—Time for either or both parties to bring the discussion to a level of good sense and sound purpose. The party which first abandons its negative course may reap the advantage on election day.

* * *

U. S. BUSINESS EDITORS SEE TRADE BETTER

EDITORS of 150 leading industrial technical, merchandising and service publications in the United States have reached the conclusion, according to a bulletin of the National Conference of Business Paper Editors, that the end of the period of depression in that country is in sight. They look for improvement of business sometime between September and November. "When this comes, business will respond readily," says the bulletin, "since inventories of raw materials in industrial plants and wholesale and retail stocks are low and getting lower. This will mean a decided improvement in employment just as soon as buying begins to return to normal levels, since there are no large stocks of materials to be unloaded before productive activity is resumed."

This opinion, coming from the

(Continued on page 2, col. 3)

MOVE TO SCRAP BUTTER TREATY ISBAD BLUNDER

Ottawa Hears New Zealand Much Roused By Action

RETALIATION LIKELY

Canadian Trade of Over $15,000,000 May Be Affected if Change Made

From Our Own Correspondent

OTTAWA.—Reliable reports obtained on Parliament Hill indicate that there is a good deal of resentment in New Zealand in regard to the termination by the Liberal government of the New Zealand trade treaty, and that it may become expedient, politically, for the government of New Zealand to retaliate by turning over to Great Britain the market now served by goods from Canada.

If these unofficial rumblings develop into concrete facts, Canadian manufacturers of Ontario, Quebec and British Columbia may well lose markets worth $15,000,000 annually.

Political Blunder

Regarded in the calm light of good business it will be seen that the cancellation of the New Zealand end of the Australian treaty was a bad business blunder and it is a good example of how the true commercial interests of the dominion are sacrificed when economic questions get into politics and become national political issues.

Time and again in the past two years The Financial Post has proved conclusively that the importation of butter from New Zealand has had no appreciable effect upon the Canadian dairy industry: has not reduced prices: has not curtailed production of milk. And yet in the present election campaign the Conservatives everywhere are decrying the New Zealand treaty and the only defence of the Liberals is that it has been cancelled. The opinion may be ventured that if Hon. J. A. Robb had lived there would not have been any interference with a trade treaty so manifestly of advantage to Canada.

Works Both Ways

In the mad chase of the political campaign, the opposition candidates speak only of the imports of butter from New Zealand. But trade works both ways and similar emphasis ought also to be placed upon the exports of Canadian goods to New Zealand. One would think to read the campaign speeches that under the New Zealand treaty, the Dominion of Canada had been flooded with New Zealand goods, while Canadians were quite unable to do any business with the Antipodean dominion.

The fact is, however, that in the six years since the inception of the treaty, New Zealand sold to Canada goods to the value of $45,810,215, while Canada sold to New Zealand $93,070,722. And there has never been a year in which Canada did not sell far more goods to New Zealand than New Zealand sold to Canada. These goods which went to New Zealand were goods which were made by Canadians, goods which represented work, wages and materials. These goods were just as important to employment and prosperity in Canada as any other goods manufactured in this country.

And yet having a trade arrangement so obviously beneficial to Canada, the government in the face of a demonstrably fallacious attack on butter imports, cancelled it. Under the circumstances it is quite on the cards that New Zealand will say: "If you are not satisfied to sell us twice as much as we sell you, we will take our business to a country that appreciates it."

And so Canadian manufacturers are threatened with the loss of a market which in 1930, fiscal year, netted them $19,166,488, because $13,000,000 of butter was accepted in return.

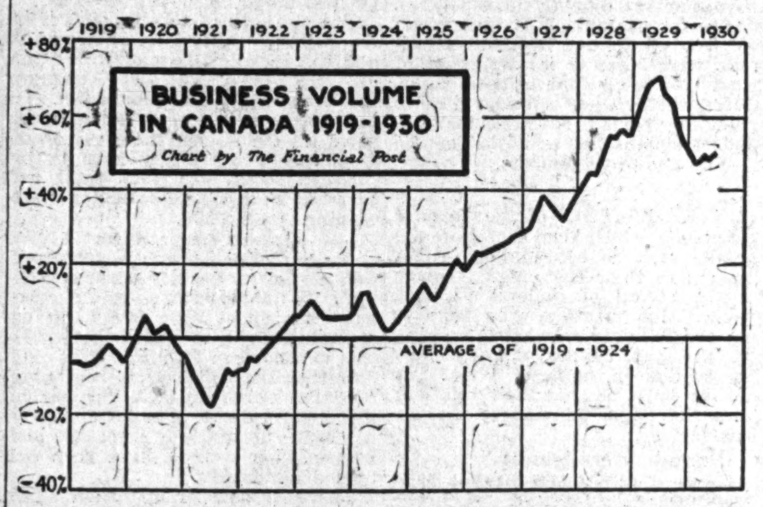
Benefits Not Localized

It was unfortunate, perhaps, that the benefit of the New Zealand trade was widely distributed throughout Canada and therefore no particular industry was aroused to defend the trade agreement. The latest trade statistics show the following exports to New Zealand. The approximate figures are as follows:

Canned salmon, $581,000; wheat, $150,000; flour, $391,000. Apples,

(Continued on page, 2, col. 6)

Canadian Trade 50 Per Cent Above 1919-24 Average



This chart graphically illustrates the commercial progress made by Canada in the last several years. With only very minor setbacks, there has been a remarkably steady improvement since 1924 and although the curve downward was somewhat precipitate in the last half of 1929, there now is a perceptible upward trend.

Gloomy Politicians Are Hurting Business

A BUSINESS man who is a regular reader of The Financial Post writes us this week:

"The chatter that is going on in political talks is stifling to business. People are beginning to worry. It is simply politics. The sooner that it is exposed as such, the better for every one."

From many other business men The Post has received approval of its front page editorial of last week decrying the spreading of gloom propaganda for political purposes.

* * *

THE hypocrisy in this attempt to make Canadians so downcast and dejected regarding the future of their country that they will vote for this or that candidate who promises to correct conditions on July 29 if he is elected on July 28 is an insult to intelligent Canadians. Canada is going through a period of business recession and the boom conditions of 1928 and 1929 are no longer with us. In common with the rest of the world we have slowed down and are catching our breath for the next spurt upward. There is nothing in the current situation to suggest that a business catastrophe has overtaken us. Nevertheless the politicians are, for their own selfish purposes, attempting to paint such a lurid picture of ruin that the general public is beginning to catch the contamination and a feeling of pessimism is being created that will, if it is not checked in time, help to bring about serious conditions by checking expansion and slowing down progress.

* * *

WITH this article, The Financial Post republishes its most recent business chart, which is a regular feature of this paper each month. The chart has been brought up to date with the most recent available statistics recorded on it. It shows a considerable decline in business from the peak. But it also shows that we have held most of our gains of the last few years of prosperity. Business is about where it was two years ago, and two years ago everybody was satisfied that we were in the midst of the greatest prosperity in history. That should be enough to satisfy even the most confirmed hypochondriac.

The Financial Post in its weekly business review has recorded the rise and fall of Canadian business dispassionately and without resort to either excess optimism or pessimism. It will continue to do so, knowing that intelligent business men will not take minor or even moderately severe recessions as indications of a permanent halt in Canada's upward march. If the politicians will leave business alone and not attempt to trammel it by the instillation of general pessimism business men will soon have Canadian production moving upward again.

Soon to Offer H.B. Power Co. First Mortgage

Formal offering is expected within a few days of $20,000,000 of 5 per cent first mortgage bonds of the Hudson Bay Power Co., subsidiary of Abitibi Power & Paper Co., which will develop the water power on Canyon River, north of Cochrane, Ont.

It is understood that the issue will be guaranteed by Abitibi and will be offered at a price to yield approximately 5.55 per cent to maturity. The development will be 275,000 horsepower, of which the Ontario Hydro-Electric Commission has contracted for 100,000 horsepower.

Honey Dew Sales Show Good Increase

Sales of Honey Dew Ltd. for the first five months of 1930 are reported at $537,230, which compares with sales of $483,696 during the corresponding period of 1929, an increase of $53,534 or 11 per cent. A letter to shareholders states that during this period ended May 31, earnings showed an increase of $42,000 over the earnings of the corresponding period of 1929. It is understood that high ratio of the gain in earnings to gain in sales is due to certain changes in policy and that future increases in volume of sales should bring corresponding gains in earnings.

The Chicago subsidiary, Honey Dew, Inc. of Illinois, has recently started operations and officials of the parent company report that the outlook for the profitable development of this territory is promising.

Large Order Reported For Hamilton Bridge

From Our Own Correspondent

MONTREAL.—Hamilton Bridge Company is unofficially reported to have received an order for structural steel from the Temiskaming & Northern Ontario Railway involving approximately $500,000. It is known that negotiations for the contract have been under way. Plants are operating at about 70 per cent capacity and receipt of the order will enable the company to speed up operations.

Hamilton Bridge is gradually getting its new Toronto plant into shape. A waterfront site of 5½ acres was secured early in the year and the buildings thereon purchased for $100,000. It is planned to equip the buildings to produce about 1,000 tons of structural steel a month. though completion was expected before this, the general business outlook has not warranted rapid construction. Accordingly the company is taking its time and will bring the new plant into operation when needed.

Hamilton Bridge has obtained a good share of the business offering during the current year. Some of its orders include a number of bridges for the Canadian Pacific Railway, and several similar structures for municipalities in Ontario, while it has completed its major contract, that for the steel work of the Canadian Bank of Commerce building in Toronto.

Earnings during the current year are not likely to equal those of 1929 and the yield on the common stock appears to be discounting the possibility of a reduction in dividends. The common is presently selling around around 21 at which price it yields 9.52 per cent on the basis of a $2 dividend payment.

C.S.L. PREFERRED STOCK DECLINES TO LOWER LEVEL

Ticker Appears to Foretell Passing of Next Dividend

From Our Own Correspondent

MONTREAL.—Though the next dividend on the preferred stock of Canada Steamship Lines is not payable until October 1, the recent action of the ticker would indicate that the dividend will be passed. From a high of 93⅝ this year, the stock has slipped back to 38.

Official statement cannot be had at the moment as to the management's intention in regard to the preferred dividend. The matter will not come up before the directors until the beginning of September, by which time conditions may change.

Up to date, there is little doubt but that the company has not earned its preferred dividend. The financial statement for 1929 showed earnings on the preferred stock of $1.54 a share, against dividend needs and payments of $6 a share. As conditions have been as bad, if not worse, for the first half of this year, it is hardly to be expected that the company has been able to record any improvement.

Last October, W. H. Coverdale, president, issued a flat denial to rumors then in vogue that the company was considering passing the preferred dividend. In order to conserve its liquid resources, however, it is well within the realms of possibility that the next dividend will be omitted. Some $900,000 is needed to meet the annual dividend requirements on the preferred stock.

Current Business Slow

Reports of the company's business for the first half of this year are not encouraging. The grain business has been at a standstill. It had been hoped that with the opening of navigation this year, a normal flow of grain would move from the head of the lakes to the Atlantic seaboard. With the exception of a few charters, the grain movement to date has been disappointingly small.

Progress is being made, however, in other directions. The packet freight business has made the greatest headway. This phase of the business has been catered to in the last year or so and the results have been exceedingly good. The movement of coal is fair, and would be much better if the company's grain carriers were operating on regular schedules.

Passenger business so far has been satisfactory, as also the hotel business. Special parties and growth in the regular traffic, has enabled this branch of the company's activities to maintain satisfactory results.

All in all, however, the company's revenues have been restricted this year. It is doubtful if results in the past six months were as good as those in the corresponding period of 1929, while returns for the full year will most likely show a decrease, if conditions do not take a turn for the better in the next few weeks.

MONTREALERS SEEK RIGHTS ON POWER SITE

May Develop 90,000 H.P. on Saskatchewan River

WILL COST $9,000,000

Want Commission to Take Output for Retailing in Northern Area

From Our Own Correspondent

MONTREAL.—Montreal interests are back of the project to develop about 90,000 h.p. of hydro-electric energy at Horse Shoe Bend on the North Saskatchewan River, within a short distance of Prince Albert.

Negotiations are now proceeding with the Saskatchewan Power Commission to secure approval of the enterprise. With this approval given, the promoters are willing to spend a large sum in carrying out further exploratory work, surveys, etc., and if findings are up to expectations, will proceed with the development.

Certain work had already been done on the site and there is no doubt, once the approval of the commission is secured, that the work will be proceeded with and in all, some $9,000,000 or more spent on the enterprise.

Backed by Rollins

Financial backing of the scheme will come from E. H. Rollins & Sons, Limited, while the actual construction work will be carried out by the Fraser Brace Engineering Company of Montreal. E. H. Rollins is the Canadian branch of an American organization of similar name, with headquarters in New York, and is in position to carry out the necessary financing. Fraser Brace is one of the well-known hydro-electric construction companies, having been identified with the Gatineau, Manitoba Power, Island Falls and other plants.

At the present time there is only one hydro-electric plant in Saskatchewan and considerable importance attaches to the present proposals. As is well-known, there is keen competition between the commission and private interests to secure control of the provincial utilities. This has resulted in the paying of fancy prices for the control of various properties. In many instances, substantial premiums have been paid for systems.

Only Wholesale Power

The promoters of the Horse Shoe Bend development do not intend to distribute power, but will sell power to the commission for delivery at the bus bar. Along these lines the Saskatchewan commission has been made aware of the policy of the Ontario Hydro-Electric Commission, which has made several contracts of late with private interests for power in wholesale quantities.

It is pointed out that if the commission has available some 70,000 to 90,000 h.p. of electric energy, it will be in a position to carry out many of its plans of expansion, which have hitherto been restricted due to the lack of power and funds. Furthermore, it would strengthen the position of the commission especially in regard to meeting the needs of the northern communities.

Not Out of Way

The Horse Shoe Bend site, as mentioned, is only a few miles from Prince Albert and roughly 100 miles to Saskatoon. Regina is about 200 miles distant as the crow flies. While the loss of power in transmission might be higher than normal, it is said that this would not be a handicap in any plan formulated to distribute energy in the area between the power site and Regina.

At present approval of the development has been given by Prince Albert and Saskatoon. Both of these cities would be supplied with power from the proposed plant. Saskatoon is now using energy developed from a steam plant. When the hydro plant is operative, the steam plant can be dismantled or used as a standby, and the power delivered to the consumer

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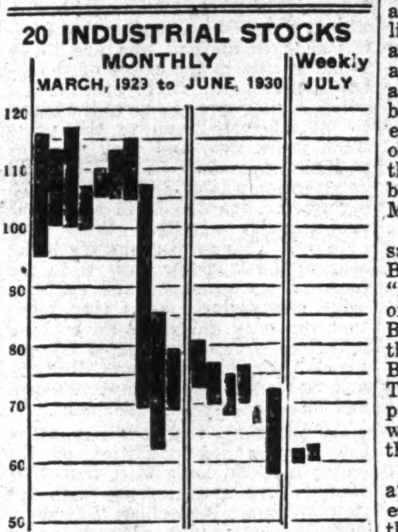
Stock Market



MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of July 15	63.5	60.0
Week of July 8	62.1	59.7
Month of July, 1929	113.8	102.3
8 Bank Stocks		
Week of July 15	253	251
Week of July 8	254	251
Month of July, 1929	300	284
10 Public Utilities		
Week of July 15	90	87
Week of July 8	90	88
Month of July, 1929	118	108

Preferred Yields High, Dividend Payers Seem On Bargain Lists Now

Many Stocks Apparently Have Distinct Speculative Possibilities

SOME AT 8 PER CENT

History Indicates Number of Companies Will Maintain Payments or Pass Them for Short Period

Judged by annual cash returns many dividend-paying preferred stocks are on the bargain counter. Yields run all the way from 5.50 per cent to 13 per cent of current stock market valuations. The list includes shares of a number of companies which do a continent-wide business and the bargains are available as a result of the interregnum of doubt as to the future, which has hampered business activity from the summer and fall of 1929 to now, and which will soon slide imperceptibly into a new era of good business built on larger demand at lower prices for basic commodities.

Though some of these companies will pass their dividends on the preferred stocks, which now seem bargains, it is likely from all experience that a large proportion of them will continue to pay their dividends for a generation without stop or with but few intervals in periods of greatly disturbed business. The difficulty for the investor is to form an intelligent judgment as to which of the dividend-paying stocks will be in the permanent category and which will pass into the ranks of the non-dividend payers. The measure of public faith in a stock is inversely as the yield on that stock.

Canada Steamships Savings Low

A year ago Canada Steamships preferred, for instance, sold at 96. Today it is selling around 40 which means for a 6 per cent preferred stock about 15 per cent. What a wonderful speculation for a Canadian if he could be sure of the dividend lasting! For four months back he has been growing more fearful that the board would stop the dividend because of the partial tie-up in the grain situation which has been limiting its revenues, and for two quarters the directors have fooled him by declaring the usual quarterly dividend of 1½ per cent. Earnings in 1929 and 1930 have been far below dividend requirements and the company borrowed more than $2,000,000 from the banks. The disquiet is therefore justified, but how about the fortunes of the present purchasers if and when earnings of this well-managed company rise again?

The Financial Post has been receiving a large number of letters from investors who are attracted by the large returns available on preferred stocks and who would invest if they felt there were reasonable assurance that dividends would be maintained or, if interrupted, stopped for only a year or two while business was recovering to its normal tone. They feel that there is bound to be some mortality among large dividend-payers in the near future and are surprised that it has not come earlier.

There Are Safe Preferreds

While pointing out that people with small incomes, or having small surpluses which they cannot afford to endanger, should stick to the well-seasoned stocks and bonds with lower yields. The Financial Post feels that preferred stocks do offer in a time of business hesitancy a suitable medium for the investor,

(Continued on page 3)

Montreal Finances At Very Low Cost

The city of Montreal has secured a temporary loan of $7,500,000 for one year at a cost of 3⅝ per cent which is the powest rate secured in Canada for some time. The notes were purchased by the Bank of Montreal on account of its New York agency and are payable in New York. Bids were also received by the city from syndicates formed by Wood, Gundy & Co., Harris, Forbes & Co., Royal Securities Corp. and A. E. Ames & Co.

Short term financing has been undertaken by the province of British Columbia to the extent of $8,000,000 during May and June while the province of Alberta issued 6-months notes to the amount of $5,000,000 during May.

The cost to Montreal of the new money is well under the interest rates to be paid by the provinces and reflects the prevailing trend of low money rates.

DOM. BRIDGE LOOKS AHEAD TO MORE WORK

Should Conclude Year With Earnings at Good Level

From Our Own Correspondent

MONTREAL.—Over the next two or three months it is expected that a substantial amount of new work will be awarded to Dominion Bridge Company. In the last two months operations at the main plant in Lachine have been rather light, but a number of new developments have taken place of late, which leads to the belief that several new contracts will materialize.

Within the past six months, the company has completed jobs on the Aldred and Sun Life buildings, International Nickel plant, Montreal Harbor Bridge and several other minor contracts. This work kept plant operations at capacity for some time and on conclusion there was the inevitable let-down.

At present Bridge has contracts for supplying the structural steel on the Architects Building, Simpson's Montreal store, building of several cranes and a number of smaller jobs. The amount of work on which the company is estimating, however, is exceptionally large and it is anticipated that some of this work will materialize ere long.

Big Volume in Sight

One of the biggest jobs in prospect is the supplying of structural steel for the Montreal terminal of the Canadian National Railway Company. A fair amount of work has been done by the railway in preparing the site and excavation work should be proceeded with in the next few weeks. No information is available as to the amount of steel required, but the tonnage should run well over 25,000. Though there is

(Continued on page 2, col. 5)

Brooks Will Now Sell Electric Refrigerators

Company Claims "Very Bright Future" Before Well Launched in New Field—Stock-selling Active in West

O. J. Brooks is nothing if not resourceful. The Financial Post pointed out recently that agents of his company, Banking Service Corp., are vigorously reloading old shareholders of Brooks Steam Motors with stock of People's Holding Co., which holds stock of Brooks Steam Motors and other Brooks' promotions. Some light on the talking points of these agents is thrown by the Commercial and Financial World, which poses as a disinterested financial journal but which the Better Business Bureau of Montreal says is a paper of the puff sheet variety. It says the electric refrigerator field is to be the new theatre of operations for Mr. Brooks.

"The investing public of Canada," says the most recent bulletin of the Better Business Bureau of Montreal, "is not likely to forget the millions of dollars it invested and lost in the Brooks Steam Motors. Neither was the public impressed with Mr. Brooks' later efforts in promoting Thermodaire Limited, a local company intended to manufacture hot water heaters and which is now in the hands of the receiver.

"Having tried his hand in Canada at steam motors and hot water heaters, what could be more natural than for him to follow the public's enthusiasm for electric refrigerators.

Will Now Sell Refrigerators

"The Commercial and Financial World refers as follows to Mr. Brooks' new proposition: 'Prominent Buffalo corporation, whose steam motors for automobiles have attracted wide attention now announces the introduction of a complete line of electric refrigerators, embodying some new ideas in design and construction. The company, headed by O. J. Brooks, faces a very bright future.'"

Diversification of industry is a big asset to any community. In the Buffalo area, industrial activity is definitely on the up-grade and many new industries are showing a remarkable degree of progress. This is especially true with Brooks Steam Motors, Inc., whose great three-acre daylight factory now is engaged in the production of electric refrigerators for the home. Brooks Steam Motors, Inc., is a Buffalo corporation, strongly financed.

"Built to Please Women"

Under the able leadership of Mr. O. J. Brooks, president of Brooks Steam Motors, Inc., and a staff of trained executives, the company is establishing an extensive factory distributing organization with branches in the principal cities for the sale of its newest product, Brooks electric refrigerators, under the slogan, "Built to Please Women."

Announcement of the new Brooks product did not come as a surprise to stockholders of Brooks Steam Motors, Inc., whose confidence in the ability of the company to become a prominent factor in the industrial world has been demonstrated from time to time during the early days of its progress. The year 1930 promises to be a red letter one in the annals of this organization. The experimental stage has been successfully weathered and now the company enters upon an era of production and expansion which will be necessary to handle its rapidly increasing volume of business.

Praised Wright Flexible

"On checking up the Better Business Bureau finds that the Commercial and Financial World is a paper of puff sheet variety.

"It was the Commercial and Financial World which referred last year, in such glowing terms to the possibilities of the Wright Flexible Axle."

CALGARY POWER DELIVERS LOAD TO EDMONTON

New 180 Mile High Tension Line in Operation

WIDENS DISTRIBUTION

Facilities for Hydro Power Will be Available to Localities in Northern District

From Our Own Correspondent

MONTREAL. — Calgary Power Company's high tension transmission line from its Ghost plant to Edmonton has been completed and power is being delivered to the city of Edmonton under the terms of the contract agreed upon by the city and the utility company. It is understood that the full load is not yet being delivered; completion of final arrangements is expected shortly.

Operation of this new system marks a significant step in the progress of Calgary Power. Construction of the line completes a programme of expansion of which the development of the Ghost-Radnor site was the first step. Approximately 36,000 horsepower is being developed at this point and the transmission line to Edmonton serves as a wide outlet to this additional power energy.

The agreement with Edmonton covers a five year period. It provides for the purchase of power by the city at the rate of five-tenths of one cent per kilowatt hour for the first 20,000,000 kw.h. delivered per annum, and four-tenths of one cent for all power in excess of that amount.

Will Extend Distribution

But it is not only through its contract with Edmonton that Calgary Power will benefit. Completion of the transmission line will make hydro power available for the northern part of the company's system, which covers a wide area. At present localities served in this district are supplied by isolated steam plants or by power purchased and it is now possible for Calgary Power to deliver hydro power from its Ghost plant to these different districts.

Savings in costs should be appreciable and distribution of power by means of the new 132,000 volt line should be quickly reflected in earnings. Elimination of high cost steam plants and the possibility of greater consumption are two factors which should follow delivery of power along the 180 mile route to Edmonton.

Earnings of Calgary Power are reported to be showing gains to date and it is likely that the expansion undertaken by the company will be reflected still more favorably by the end of the year. While the load delivered to Calgary showed a slight decline earlier in the year, the falling off was due largely to the temporary closure of railway shops and slackness in the milling industry. The general industrial load has been considered satisfactory, however, and conditions are said to be returning to normal.

Reduces Rural Rates

Another factor which should result in increased rural consumption is the cut which the company made in its rural rates about a month ago. A reduction in retail rates to towns and villages in Alberta became effective on June 1 and while a reflection of satisfactory progress, it is generally the forerunner of increased demand for power. At the same time further excavation at the Ghost site was completed which increased the avail-

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When Forwarding Money

use The Bank of Nova Scotia drafts. Payable anywhere, readily secured without delay and at very moderate charges at any Branch of the Bank.

THE BANK OF NOVA SCOTIA

Established 1832
Capital, $10,000,000. Reserves, $20,000,000.
Total Assets over $275,000,000.

Frank A. Rolph New President Imperial Bank

Frank A. Rolph was elected president of the Imperial Bank at a meeting of the board of directors held at noon on Wednesday, July 16. Mr. Rolph succeeds the late Peleg Howland.

Mr. Rolph has been a director of the bank since 1919. Sir James W. Woods, vice-president of the bank will continue in that capacity.

In addition to his new office, Mr. Rolph is president and treasurer of Rolph, Clark, Stone, Ltd., lithographers, and is president of the Toronto Board of Trade. He is also a director of the North American Life Assurance Co., a member of the advisory board of Huron & Erie Mortgage Corp. and a governor of St. Andrews College.

Mr. Rolph is a former chairman of the Canadian Manufacturers' Association, past president of the Royal Canadian Golf Association and of the Canadian Lithographers' Association and was a member of the Canadian War Mission at Washington, of which he was chairman in 1918.

English Electric Names Mullen District Manager

The English Electric Co. of Can. Ltd. (controlling The Canadian Crocker-Wheeler Co.) announces the appointment of Thomas J. Mullen as district manager with offices at 1124 University Tower, Montreal.

Mr. Mullen has had a wide experience in the electrical industry in Canada, having been associated with Canadian Allis-Chalmers, Canadian Electro-Products and latterly with the Canada Power & Paper Co.

DETROIT-WINDSOR TUNNEL IS DRIVEN, OPENS NOVEMBER

Detroit & Canada Tunnel Co., which began the construction of a tunnel one mile long in June, 1928, under the Detroit river between Windsor and Detroit, completed the great international undertaking on July 14. The tube is 30 feet beneath the river at its lowest point and is constructed of steel and reinforced concrete. Canadians and Americans have already officially greeted each other in the tunnel, and it is expected that the tunnel will be opened and ready for vehicular traffic by November.

Until actual operations show it, security-holders cannot be sure how the operations of both companies will affect each other. The estimate of Detroit & Canada Tunnel Co. is that it will earn in its first year $1,666,000, sufficient to pay $510,000 on the 6 per cent first mortgage bonds and $552,000 on the 6½ per cent debentures and leave $604,000 available for the 2,250,000 shares of no par value common stock outstanding.

Piggly-Wiggly Preferred Dividend is Declared

The regular semi-annual dividend on the 7 per cent preferred shares of Piggly Wiggly (Canadian), Ltd., for the period ending June 30, 1930, has been declared. The number of stores operated by the company has been increased from 32 in January, 1929, to 69 at present.

There are Always Vandals!

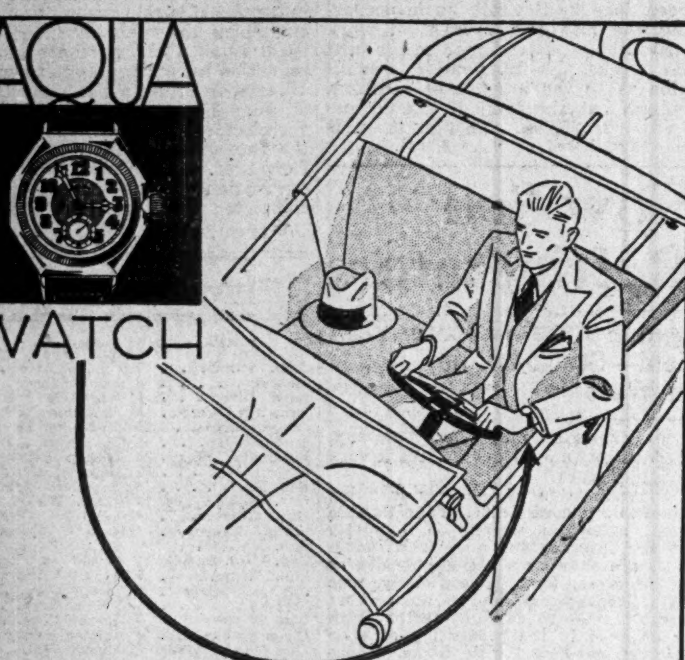
The careless are always with us—people who trespass on your grounds, thoughtlessly destroying flowers and shrubs and spoiling the loveliness of your property.

Guard against all trespassing with Frost Angle Steel Fence. Not only will you have complete protection—you will add a further beauty to your grounds.

The artistic design of Frost Angle Steel Fence, its grace and strength, make it ideal for estate owners and for all public buildings and enclosures. Of enduring construction, unaffected by rust or weather, this beautiful fence is truly economical in the saving it effects and in the years of satisfaction and pride of ownership it provides.

Write for new color folder describing Frost Angle Steel Fence

FROST ANGLE STEEL FENCE
FROST STEEL AND WIRE COMPANY LIMITED
Head Office: • Hamilton, Ont.
and at Montreal, Que., and Winnipeg, Man.
363



NOT SO DUSTY!

Motoring in an open car is sometimes dusty work. You need an accurate watch, a dust-resisting watch. And that means an Aqua, a watch you can wear when other watches would suffer. Wear it in water—it won't hurt it. It has a 15-jewel Swiss movement, and its chrome-plated case is rust and stain resisting, while the luminous hands tell the time when it's dark.

Price $17.50—Chrome-plated mesh bracelet $1.00 extra.

THE STORE CLOSED ALL DAY SATURDAY

THE T. EATON C° LIMITED

NATION'S BUSINESS

(Continued from page 1)

source it does, is impressive. Business paper editors have the best facilities for obtaining the most authentic information as to fundamental conditions in the lines of industry they serve and the national conference comprises editors interested in every line of industry in the United States.

It is only a few months ago that business leaders in the United States were telling President Hoover that the stock-market crash did not presage a business recession. The business leaders were expressing hopes rather than beliefs. At the same time, this group of business editors showed that they had their feet on the ground by disagreeing strongly and asserting the opinion that many difficulties would be met before business again would be on a sound basis. Events have proved them correct.

As it is safe to assume that these business paper editors again have based their opinion on close knowledge and study of actual conditions, it is believed that the latest forecast is an accurate one.

* * *

LABOR MINISTRY MIGHT ADD ONE DUTY

CONSISTENCY is not always a characteristic of utterances from the political rostrum. Hon. Peter Heenan, minister of labor, in a speech at Peterborough on July 5, asserted that problems of unemployment were not the concern of the Department of Labor and in the same speech devoted considerable time to explaining what his department and the Liberal government at Ottawa had done to create work in the last winter.

It would seem that a government official with the title "minister of labor" would be concerned with creating jobs. His sole function, and the function of his department, hardly can be the adjudication of disputes, of which, fortunately, there are fewer nowadays than formerly.

Creation of jobs, as distinguished from handing out doles, is a constructive duty to which the Ottawa department of labor might well devote its principal attention with a view, not to creating a scarcity of labor in good times, but to alleviating conditions when work is slack. The minister of labor should be interested in securing for constructive minds conditions which enable them to get under way developments which create jobs. The minister of labor, backed by information obtained by his department, might well be the person to decide when it is most propitious to proceed with public works, whether it is the building of a post-office in a doubtful riding or something more vital to the country's needs. Mr. Heenan's recitation of his efforts to provide more work last winter is impressive and probably he did some good. It will be still better if Mr. Heenan gets his associates in the Cabinet to have all government construction work undertaken in slack seasons.

* * *

HASTE MAKES WASTE IN CIVIC GOVERNMENT

WITH cities everywhere facing traffic problems which must be solved by expensive street extensions and widenings, the controversy as to how to get a street through Rosedale, an exclusive residential section of Toronto in order to bring the Northeast portion nearer to the downtown, is of general interest. One street, Sherbourne, already extends some distance into Rosedale and to push it further to connect with the Northeast section of the city would cost, it is estimated, $1,700,000. But the mayor has some support for his plan to push Jarvis Street, two blocks west, completely through Rosedale to serve the Northeast. This plan, crossing the ravine at a wider point and involving the purchase of more private property, would cost, it is said, some $4,250,000. Rosedale residents probably do not wish any extension, but the majority seem to accept some plan as inevitable and, because of the lower cost and because Rosedale would be less disturbed than by the other, are inclined to favor the Sherbourne plan.

Toronto usually solves its civic problems well and it is likely that this controversy will be settled wisely if there is sufficient time given to consider the matter thoroughly. There is a tendency in all municipalities to rush into expenditures, because civic elections never are more than a few months off. The aim of civic government should be to be as efficient as private business. Private business does not rush into large expenditures.

* * *

BOOMERANG TACTICS

BOOK - PAPER manufacturers, through their propagandist, are taking part in the general election. A most reprehensible part, a part that if not curbed is sure to bring disaster to their shareholders.

When will these people awaken from their dreams of great power, the result of millions of new-found wealth in watered shares?

About fourteen years ago a group of American financial highwaymen secured control of leading Canadian book mills; pyramided the capitalization; reduced quality and services; combined to put up prices to pay dividends on the water—which was easy with tariffs from 25 to 35 per cent. Some of the leaders have had more thought on unloading shares than in selling good paper to Canadian users. Paper was sold abroad at less than in Canada.

Many users, unable to get quality or service in Canada, have been compelled to send millions of dollars abroad that should have been used here in employing Canadian workmen. Thirty-five per cent duty is being paid on much of this paper. Longer freight hauls make the price still higher. More serious still is the fact that under the high prices, poor quality and bad service, Canadian printers are often unable to compete, and millions of printing for use in Canada is done abroad. The great mass of books sold in Canada are printed on foreign paper. Even lives of some of our great statesmen have recently been printed in the United States. The reprint of Sir John Macdonald's story was one of these. And Canada is the greatest paper-making country in the world. And there are many printers walking the streets in the big cities of Canada unable to secure employment. Other printers are contributing from their earnings to support them.

* * *

IN THEIR intoxication of wealth and the demands for more, these paper manufacturers became offensive dictators and took steps to punish those who asked for fair treatment. They compelled a group of dealers to line up with them. Those who would not had to pay higher prices. Others were intimidated and boycotted, and are being boycotted today. These people appealed for fair play to the government. Hon. Mr. Robb sent them to the tariff board. Ten thousand dollars were spent in display advertising attacking those who complained. Thousands of circulars and editorial matter were also distributed to manufacturers all over Canada. The paper makers thought they could thus influence the board. The board, regarding it as an attempt at intimidation, brought the matter to the attention of the book paper makers, who ignored it. Later, their propagandist wrote the chairman of the board, W. H. Moore, that he had something on him and other members of the board; that if he did not stand by the book paper makers and ignore public complaints of high prices, poor quality, dictatorial service, these charges—associating them with "wine, women and song"—would be made public. He promised if the board would ignore complaints the charges would be locked up in a safe-deposit vault. The letters were referred to Howard Smith, under whose direct auspices the board understood the propagandist was acting. Mr. Smith refused to take any action. The propagandist was then summoned before the minister of finance, Mr. Robb, and the board and was told that it was in his power to publish anything he liked about any member personally, but when he was issuing it as a threat to intimidate what was in effect a court, it was another matter. He realized the seriousness of his position and made a most abject apology. All this was made known to The Financial Post and to newspapermen at Ottawa and the officials, the letters being passed to them at the time. The propaganda did not, however, cease. The last time Mr. Robb was in Toronto previous to his lamented death, he came into The Financial Post's office to discuss the pros and cons of the Beauharnois situation just before the Government came to a final decision. In course of conversation, he referred to the dastardly persecution he had been subjected to by the book paper makers' advocates.

* * *

THESE were only part of the book paper makers' intimidating and boycotting campaign. By misrepresentation they enlisted the sympathy of the newsprint makers. They told them The Financial Post, which was among those objecting to these unsound business methods, was antagonistic to the whole paper industry. Circulars went to manufacturers generally, saying we were opposed to them and should be boycotted. Scores of these came to us from those who knew differently. The Post and its associated MacLean Newspapers had been for 44 years and still is strongly protectionist, and has favored in all these years Empire preferences. In business organization and methods The Post always supported and held up as an example to be followed the Holt-Montreal Power Co. ideal in its treatment of the public, its customers, its workers, its shareholders, and has strongly opposed the book paper makers' policies. The Holt idea is nothing more or less than the basis on which all sound, successful businesses have been built up. Now the book paper propagandist is attacking the newsprint interests. They are not now supporting him. Evidently they see the unwisdom of it.

* * *

At the last session of parliament book paper makers asked for an increase of about 40 per cent in the duty on paper used in farm and general publications. A great entertaining layout was maintained in an Ottawa hotel. They failed and now their advocate is broadcasting printed matter throughout Canada against the Liberal party and directly attacking the chairman of the tariff board, who is a candidate, saying that serious charges against him are to be found on file in the office of the finance minister. These are the old letters which were shown to the board to all interested and to the press some years ago, and they were of so little importance at the time that no attention was paid to them excepting by the board, and in which the propagandist admitted there was nothing. This printed matter being sent in the last few days is in the form of a newspaper and contains some advertising. It is significant that the only industrial advertising it carries is two large paper companies—Howard Smith and Rolland, and one small paper advertisement and one whiskey advertisement.

At one time, the board, realizing the high-handed activities of the paper makers, suggested that they should have a conference with the users of paper, in the hope that paper makers would give concessions in price, quality, service, without being compelled to do so by a lowering of tariff. They met, and after some discussion, the spokesman for the book paper makers, Mr. Crabtree, of the Howard Smith Co., told the Canadian consumers of paper they could go to H———, that the book paper makers had a pull at Ottawa and were not going to waste any more time on them. What was the pull? Had he these letters in mind?

* * *

THIS is not a pleasant story of the insides of one of our greatest monopolies. But when their advocate attempts to influence the voters in a national election by such methods, it is most important that the facts should be brought out in the interests of the shareholders as well as of the public. It is important they should know of the unsound activities of those in control of one of our important industries.

It is true that some of the men associated with this industry are not now in sympathy with these policies. Some, for example, like that grand old firm of Rolland Brothers, Montreal, were more or less ignorant of what was being done in their name. Surely the time has come for them to stand for sound business methods and repudiate the activities of the leaders and propagandists.

* * *

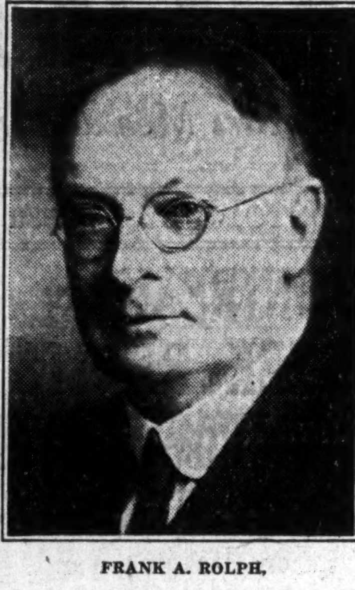
AN INDICATION of the harmful results which tend to follow the hostile attitude of the book paper makers to their customers is given in the record of imports of book paper. Job printers, who have to pay the full duty on what they bring in, are yet buying more largely abroad than in the past. Why? The answer must be that their relations with the Canadian makers are unsatisfactory.

Here are a few figures:

..Imports of Certain Lines of Book Paper into Canada for the Fiscal Year ending Mar., 1930, as compared with the Fiscal Year ending March, 1929.

	12 months ending March 1929	1930
Book, printing and litho paper, not pasted or coated, n.o.p. Dutiable at 25 per cent.		
Total imports	$567,625	$795,531
United Kingdom	188,881	213,895
United States	368,223	573,617
Book, printing and litho paper, coated and glazed or unglazed; surface coated paper, n.o.p. Dutiable at 35 per cent.	$	$
Total imports	80,264	696,681
United Kingdom	25,872	78,331
United States	46,404	559,517
Bond and ledger papers, writing and envelope paper, uncut. Dutiable at 25 per cent.	$	$
Total imports	132,799	197,131
United Kingdom	48,579	61,577
United States	81,598	130,869
Total imports of paper (including some lines not cited above).	$	$
Total imports	13,641,415	14,764,465
United Kingdom	1,532,486	1,665,590
United States	10,678,222	11,592,086
Total imports of books and printed matter.	$	$
Total imports	16,539,633	18,130,779
United Kingdom	2,449,371	2,604,245
United States	13,882,405	14,720,169

These facts—indicating as they do a failure of the book paper concerns to secure for Canada all the business possible—surely suggest that those sane financial interests who have recently become connected with some of the book paper companies should make an investigation. If such an investigation were made the dangerous men could be eliminated and the book paper making industry could be made safe through the efforts of some good men who would be elevated. The industry would then become a direct source of more labor—and an indirect factor in making Canada — what it should be— one of the great printing centres, of the world.



FRANK A. ROLPH,

Toronto, who succeeds the late Peleg Howland as head of the Imperial Bank of Canada.

DOM. BRIDGE LOOKS AHEAD TO MORE WORK

(Continued from page 1)

no definite assurance that the contract will be placed with Bridge, the position of that company's plants places it in an excellent position to secure the business.

In addition there are several important bridge contracts in sight, but which will not likely be awarded until after the elections. The most important job in prospect is that of the Caughnawaga Bridge, estimated to cost about $2,000,000. Three other smaller jobs are in prospect at Quebec city.

Western Units Active

As far as can be ascertained the western plants of the company are all busy. It will be recalled that within recent months, the company has taken over units at Winnipeg, Edmonton, Calgary, and built a new plant at Burnaby, B.C. The coast unit is said to have a good volume of business on hand, sufficient to keep it going until after the end of the fiscal year on October 31 next.

The financial statement of the company for the current year is expected to make good reading. While there are a larger number of shares outstanding, resulting from the deal with Manitoba Bridge, share earnings should compare favorably with those for last year, when they totalled $5.46.

This year's report will reflect the completion of the Montreal Bridge, Nickel, Sun Life, Aldred, etc., jobs. It will be recalled that the Bridge costs were far in excess of what had been originally estimated. Just what proportion of the increased costs accrue to Dominion Bridge remains to be seen, but as the job was done on a cost plus basis, there should be additional revenue for the company.

Though it is not expected that net profits will be equal to those reported in 1929, the dividend of $3.60 a share should be earned. Some doubt existed of the ability of the management to maintain the present disbursement, but in view of the policy of the company, there is no reason for cutting the dividend unless business conditions slump off more badly than at present.

The uncertainty over future business of the company, however, has affected the market trend of the stock. Though its present depression might be attributed to two causes, namely, selling by old Manitoba Bridge shareholders and general weakness of the market, the present price would indicate that the stock is oversold.

Considering the fact that the company has paid dividends regularly since 1913 and even during the after-war depression was paying $4 a share on the old stock, the earning power of the company is considered as being established. Furthermore, its position has been improved by the acquisition of other plants, so that now the company is national in character and in a position to compete successfully for business in any section of the country.

Prior to the last break, the stock was selling around 72. It then slipped back to under 50 and recovered to around the present range of 52. At that price the yield on the stock is nearly 7 per cent. During the bull market, the stock was selling to yield under 3.10 per cent.

CALGARY POWER DELIVERS LOAD TO EDMONTON

(Continued from page 1)

able power supply by about 6 per cent.

The present installed capacity of Calgary Power hydro-electric plants is about 68,000 horsepower and it is interesting to note that this figure represents approximately 98 per cent of the developed water power in Alberta. Steam plants leased or controlled in Calgary have a combined capacity of 18,000, while the hydro sites are capable of being developed up to 98,000 horsepower.

The strength of Calgary Power in the Alberta utility field is apparent and the industrial expansion of the province should enable the company to increase its earnings steadily. In 1929 profits amounted to $857,016 and after all deductions there remained a sum equal to $11.55 a share on the common stock. In 1928 total net earnings were $533,888 and per share earnings were $9.05.

Spends Large Sums

The potential earning power of Calgary Power has not yet been realized. In the past two years the company has spent over $9,600,000 on capital account, of which $6,178,988 was expended in 1929 and it is only now that the company is beginning to realize more fully on the expansion it has carried out. Output of power has been substantially increased and transmission systems have been extended materially.

There is now in operation 1,695 miles of transmission line, of which 180 miles, the Ghost-Edmonton section, is 132,000 volt line; 400 miles are 66,000 volt, and 1,115 miles is 13,000 volt.

Construction of new plant and power lines has made heavy demands on the company's funds and at the end of 1929 bank loans had risen to $2,802,000.

By the flotation of an $8,000,000, 5 per cent bond issue in April the company was reimbursed, while the old bond issue, consisting of $2,644,060 first mortgage bonds, was redeemed on July 15. Rights to purchase new stock at $100 a share on the basis of two for five were offered to shareholders in April and in this manner a further $1,000,000 was added to the treasury. It is also planned to issue a further $2,500,000 of 6 per cent preferred stock at a later date, which will bring the amount outstanding to $7,500,000.

MONTREALERS SEEK RIGHTS ON POWER SITES

(Continued from page 1)

at a lower rate than at present in force.

Plans of the commission call for the distribution of power among rural mnuicipalities much in the same way as is being done in Ontario. Such proposals have been limited, however, due to the lack of power and the costliness of constructing steam plants. With the large load available from the Horse Shoe Bend development, however, the commission could go ahead and distribute power over a large area of the province.

Definite plans and actual development, however, must await approval of the commission. If the commission agrees to take the output of the new plant, the only hitch to the plans would be the discovery of some engineering handicap which would nullify plans already formulated.

Arguments Favor Deal

One of the arguments advanced by proponents of the power scheme, is that the large capital outlay will be provided privately. It will not be necessary for the province to raise several million dollars to carry out the development. Power would be supplied at a relatively low figure, presumably lower than that developed by steam, and the cost to the province of transmission lines would not be out of the way. In return the northern and central parts of the province would secure an adequate supply of electric energy; sufficient to meet all needs for some time to come. Lower rates are naturally a pleasing feature to those communities within the distribution area, while the commission's position would be greatly strengthened.

MOVE TO SCRAP BUTTER TREATY IS BAD BLUNDER

(Continued from page 1)

$75,000. Hosiery, $550,000; children's boots and shoes, $50,000; gum shoes, $335,000; men's and women's boots and shoes, $770,000; iron and steel pigs, bars, bolts, rods, etc., $400,000; fencing staples, $70,000; iron pipes and fittings, $340,000; measuring meters, $130,000; nails, $70,000; tinware, $25,000; tools, $165,000; barbed wire fencing, $100,000; plain wire fencing, $245,000; iron wire, n.o.p., $210,000; hardware and hollow-ware, $211,000; cultivators, $55,000; mowers, $50,000; disc harrows, $15,000; hay rakes, $20,000; drills, $21,000; threshing machines, $11,000; reapers and binders, $20,000; other agricultural machinery, $85,000; vacuum cleaners, $130,000; electric batteries and cells, $250,000; electric generators and motors, $45,000; insulating wire and cable, $40,000; radio sets, $31,000; other elec-

Partly it is owing to the season tric appliances, including electric stoves, $395,000; metal working machinery, $40,000; wood working machinery, $26,000; rubber hose and tubing, $95,000; rough sawn cedar, fir and hemlock, $221,000; dressed fir, hemlock and butter box wood, $167,000; furniture, $35,000; plaster of Paris;, $100,000; glass bottles, $6,000; card board, $75,000; paper hangings, $50,000; newsprint, $1,595,000; writing paper, $85,000; wrapping paper, $230,000; calcium carbide, $50,000; motor cars, $6,515,000; chassis for motor cars, $150,000; lorries, trucks, etc., $320,000; chassis for trucks, $865,000; tires, $3,770,000; parts of motor vehicles, $140,000; player pianos, $215,000.

Many of these items showed phenomenal advances over the preceding year. Motor cars jumped from $2,600,000 to $6,515,000. Chassis for trucks jumped from $85,000 to $865,000.

Altogether New Zealand sold to Canada $16,282,719 in the fiscal year ended March 31, 1930 and of this $13,000,000 was in butter.

It should not take a business man long to figure out whether or not this trade agreement was satisfactory to Canada. By cancelling the agreement we may shut off $13,000,000 of butter and lose $19,000,000 of exports to New Zealand. The Canadian automobile and tire industry alone sold almost as much to New Zealand as New Zealanders sold butter to Canada.

World-wide Financial Services

Head Office Montreal

Financing exports and imports, issuing commercial credits, remitting money to foreign countries by mail or cable, buying and selling bills of exchange, selling travellers' cheques and letters of credit—these are some of the valuable services offered by the Bank of Montreal in foreign exchange and foreign trade.

BANK OF MONTREAL
Established 1817
Total Assets in Excess of $800,000,000

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BOUGHT—SOLD—QUOTED
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NEW TRAMWAYS BUILDING
157 CRAIG STREET WEST
MARQ. 4121* MONTREAL

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SEND
CANADIAN NATIONAL EXPRESS
MONEY ORDERS

King Edward Hotel

This well-established Toronto hotel has many varied dining rooms, but is most famous for its

$1.00 Blue Plate Luncheon
Served in the Pickwick Room

Also Table d'hote Dinner at $1.50

The Pickwick Room Service is available every day including Saturday.

Dancing every evening in the Victoria and Oak Rooms. Luigi Romanelli and his Orchestra.

Famous Products of
McCOLL-FRONTENAC

MARATHON HI-TEST GASOLINE
Cyclo Gas (NO KNOCK) MOTOR FUEL
RED INDIAN MOTOR OIL
24

Pierce - Arrow Showrooms, Toronto, floored with Dominion Battleship Linoleum. Sparling Martin & Forbes, Limited, Toronto, Architects; Walter Davidson & Co. Ltd., Toronto, Contractors.

This Floor Helps Sales

Not directly of course. But by affording a smart and dignified background for goods on display . . . and foot-comfort and quiet to the prospects come to see them.

Dominion Battleship Linoleum, the permanent public floor that deserves such wide acceptance for showroom and retail store installation. It is easy to clean, odourless and may be waxed and polished as desired.

It is the generally accepted floor for offices, schools, hospitals and all public institutions.

Made in three qualities, AAA in eight shades; AA and A in four. Special colours for large contracts.

Installed by large house furnishing and departmental stores. Write us for samples and literature.

Dominion Oilcloth & Linoleum Company Limited Montreal

"How much of your Overhead is Underfoot?"

Dominion Battleship LINOLEUM

CANADA PACKERS COM. EARNINGS SHOW ADVANCE

Will Not Pay Dividends Until Preferred Arrears Are Wiped Off

TWO YEARS NEEDED

Company Plans Objective of $10,000,000 Working Capital Before Common Stock Will Share in Profits

Net profits of Canada Packers for the year ended March 27, 1930, amounted to $1,552,071 which permitted the payment of $444,738 in dividends on preferred shares and left available an amount of $1,107,333 for the 199,974 no par value common shares outstanding, which is equivalent to $5.53 a share. After deduction of bond interest, depreciation and income tax on the same basis, the net profits for the preceding year were $1,503,298 and in the 7½ months ending March 28, 1928, net profits were $1,028,698. On average sales exceeding $100,000,000 annually in the last three years, the average of net profits has been $1,500,000, or a little less than 1.50 per cent of sales.

Profit in the previous year was equivalent to $5.20 per share.

"A sound packing business should yield a profit of 2.50 per cent on sales," says J. S. McLean, president of Canada Packers, in the report to shareholders on behalf of the directors. "It is hoped that within the next few years the business of Canada Packers may become established on this basis."

Domestic business of Canada Packers has steadily increased, while export business has steadily declined. How this steady decline has proceeded is shown in the following table of exports to Europe:

Exports to Europe

Exports of constituent co's in year preceding formation of Canada Packers	85,354,548 lbs.
7½ months to March, 1928—31,525,099 lbs.: per year ..	53,641,158 lbs.
12 months to March, 1929 ...	28,011,838 lbs.
12 months to March, 1930	14,784,484 lbs.

Cutting Out Foreign Losses

This loss of the European, chiefly British, bacon market was forced upon the company by losses suffered in the export trade. Mr. McLean states that, before Canada Packers was formed, each of the constituent companies followed the policy of maintaining its position in Great Britain, and to do it each paid a higher price for hogs in Canada than the equivalent of the English bacon price. They had to meet losses incurred from maintaining the English export trade on such an artificial basis out of their own pockets. In 1926 alone it was estimated that losses from this one source were about $1,500,000.

The reason was that hog population in Canada was declining while consumption in the Dominion was increasing, and the effort to maintain export trade caused scarcity in Canada with consequent higher prices which in turn made the export trade unprofitable. The policy of Canada Packers has been to export only when the business was profitable. Therefore, exports have continued to decline.

The company has been improving its position continually in the last three years as a result of cutting out export losses and eliminating expenses due to co-ordination of plant and sales work. The company, it may be recalled, took over nine plants, each carrying on independent operations. One plant has been sold and in the others, work has been co-ordinated so that slaughtering is now carried on in only six plants. Co-ordination economies of this kind have saved the company $1,000,000 annually.

The company has outstanding 62,684 cumulative preference shares with a par value of $100 each, making $6,268,400, 199,974 no par value common shares shown on the balance sheet at $1,433,306, and a surplus carried forward of $3,706,569, or $11,408,275 in all. Adding an appraisal surplus of $5,685,833 to this amount, Mr. McLean estimates the sum which shareholders have invested in the company at $17,094,108. Interest on this amount in round figures would be $1,000,000, so that the balance of $550,000 of the net profits, Mr. McLean considers, is the trading profit. This amounts to half of one per cent of the total sales of $100,102,203 or to 1/12 of one cent per lb. on product sold. The total profit would amount to ¼ of a cent per lb. on product sold.

This illustrates the strength and weakness of the packing industry from the investor's point of view in Mr. McLean's opinion. The rapid turnover, he points out, allows a very small margin of profit on sales to give a substantial rate of profit on capital. A very small margin of loss on sales would quickly lead to the ruin of the company. The difference between 1/12 of a cent gain and 1/12 cents per lb. loss would rapidly spell the ruin of the company.

Building Up Working Capital

In order to build up working capital the company did not begin preferred dividends until April, 1929. Arrears of $10.50 a share have still to be paid and in the ordinary course of events will be paid off in two years.

Working capital is strong, both current assets and current liabilities being larger than in the preceding years. Inventories show a large increase, and the banking indebtedness of the company has jumped from $4,706,526 to $5,902,922, though this is considerably lower than the amount of $6,802,434 shown two years ago.

When the company was formed, a special loan of $2,500,000 was obtained from the Canadian Bank of Commerce and the Bank of Montreal. The loan was for one year, renewable for another year, and was secured by collateral trust bonds resting against the capital stock of the constituent companies. It was expected to retire this loan by means of permanent financing last August. In 1929 the banks agreed to renew the loan for another 12 months. During last year the company paid off half the amount and it now stands at $1,250,000 so far as this special loan is concerned.

The increase in working capital derived from three sources: profit, less preference dividends; depreciation reserves, less investment in new plant; and $300,000 received from the sale of properties.

Consolidated Income and Surplus Accounts

	1930	1929	1928 (a)
	$	$	$
Oper. profits (b)	1,552,071	1,503,298	1,028,697
Less:			
Pref. divs. (c)	444,738	115,939	....
Surplus	1,107,333	1,387,359	1,028,697
Adjustments	791	182,388	
Avail. for common ...	1,108,124	1,569,747	1,028,697
Prev. surp. .	2,598,445	1,028,697	....
		2,598,444	
Bal. forward	3,706,569		1,028,697

(a) 7½ months. (b) After all expenses, bond interest, depreciation and taxes. (c) Preference dividend in arrears to March 27, 1930, $10.50 a share.

Earn. on pref.	$24.76	$22.74	$15.50
Paid	7.00	1.75	...
Earn. on com. (d)	5.53	5.20	3.40

None paid.

(d) Not counting adjustments.

Comparative Working Capital Positions

	Mar. 27, 1930	Mar. 27, 1929	Mar. 28, 1928
Curr. assets.	15,554,509	14,699,585	14,850,769
Curr. liabs..	8,333,154	7,639,459	9,258,991
Excess of curr. assets	7,221,355	7,060,126	5,591,778

Preferred Yields High, Dividend Payers Seem On Bargain Lists Now

(Continued from page 1)

who wishes to buy outright, and who has faith that the long swing will eventually straighten all things out for the well-run company in a necessary and expanding industry with a permanent market.

There is reason to regard some preferred stocks with high yields with great confidence, Canadian Canners 6 per cent first preferred with its 6.50 per cent yield being an example of a stock with definite investment strength. This company's business has suffered no perceptible slump and it has been able recently to increase its dividend payments on common and 2nd preferred. Beatty Bros. is reported to have record sales to date this year, and its preferred stock is offering at a price to yield 6.81 per cent. Canadian Car & Foundry preferred is selling to yield 6.73 per cent, and there are a number of reasonably safe stocks showing similar yields. These yields, however, are not greatly different from what they were during the bonanza period for common stocks last year when the great mass of traders were buying for appreciation and not for income. They were not attracted by preferred stocks with their incomes definitely stated, and preferred the more alluring but indefinite possibilities for growth in value of the common stocks in spite of the higher risks.

Yields Are Extraordinary

This article is more concerned with the extraordinary yields offered by some preferred stocks as these offer both the hazards and the possibility of appreciation which made common stocks so interesting a year ago and again last spring. In determining whether it is worth while risking some money on such stocks, the speculator will have to decide what conditions have led investors to believe that dividends are endangered, whether or not these conditions are temporary or likely to be prolonged, and whether it is best to buy now or wait a while longer for the time when trade and public sentiment take a turn for the better.

Business Always Recovers

Thinking in decades rather than in months, there is nothing new in the present situation in which industry finds itself. There have been periods of general over-production before and business has slowed up while surplus stocks were overtaken by demand. Population increases steadily, the oldest suit must be worn out, no article is everlasting, and some day the world will find factories and farms and mines speeding up and running night shifts to catch up to an accelerated demand. It has always happened before and it will happen again. The weakest companies go to the wall in a period of stringency but the others draw in their belts and strive harder for the business that is available. If they do not earn their dividends in one year, they do the next and in good years they work off arrears. There were notable examples of that in the years following the depression of 1920-22.

Grain Tie-up Is Worst Feature

The tie-up of Canadian grain is the most serious and almost the only serious element of the Canadian situation. While buyer and seller of grain have had an endurance contest with the price gradually sinking because the great carry-over in many countries gave the buyer an advantage, flour milling companies, railroads, banks, steamship companies, elevator companies, farm implement companies and a number of other companies were innocent by-standers who got hurt. Flour milling companies, once Canada's strongest and best-regarded industry, found themselves hampered at both the buying and selling ends. They had to buy dear wheat in Canada when their foreign competitors in Europe were buying cheaper wheat and had lower costs; in other words, they bought in a sellers' market and had to sell in a buyers' market. Naturally Canada's exports of flour have dropped.

Similarly, elevator companies, which make most of their money by the throughput of grain and the handling, have had to act more as storehouses than handlers of grain with some definite depressing effect on their revenues. Canadian Pacific Railway and Canadian National Railway revenues were more affected because the crop in Western Canada last year was a half crop than by the tie-up, serious as that was, Canada Steamship Lines, however, would have done exceedingly well last year and this if the grain that ultimately has to be moved had been moved at any price. The situation resulted in definite gains of years being in part washed away.

Thus investors can now buy Maple Leaf Milling 7 per cent preferred and 6 per cent preferred at a return of about 7.50 per cent, St. Lawrence Flour Mills preferred at 8.14 per cent, Alberta Pacific Grain preferred at 8.04 per cent, Bawlf Grain at 8.22 per cent, Canada Steamship Lines preferred at 15 per cent and Bissell preferred at 7.95. Bissel is a comparatively small company as compared with the large farm implement companies but it has been doing well. Its situation, as well as that of the larger companies, is confused by the drop in agricultural purchasing power even though the trend is increasingly to mechanization of farms.

Wheat Will Win Out

One Westerner the other day said to a representative of The Financial Post: "The West is done, and Canada as a wheat-growing nation is done. European countries will grow their own in future. See the tariffs against wheat high as Haman's gallows in most countries of Europe and against flour."

That is an old story, too. Cheap Canadian and United States wheat will break down those barriers. The great industrial nations of Europe cannot put themselves long at a disadvantage with dear food. It is doubtful whether the over-built flour milling industry of Germany can long survive dearer wheat even if it is allowed to mill in bond. Already it is being "rationalized" to enable it to compete on more favorable terms. Portugal already has a shortage of wheat in some districts and will have to let in more wheat. That is only a straw which shows which way the wind will blow.

There is more danger in Russia's unknown capacity to add to the world's surplus than in these efforts of industrial nations to make themselves self-supporting in food. Such a situation in England brought the repeal of the corn laws, and dear food when it comes will bring decided protests from voters. France is at present an exception but low prices for wheat will bring reduced acreage in France as it has already started to do in Canada and as it will do to an even greater extent in the United States. The United States, until the era of high prices for wheat, was rapidly approaching the point where it would become an importing nation. That will happen again. The United States farmer is very quick to get out of a crop that doesn't pay him. It is only a question of how soon.

Paper Industry Will Soon Mend

The pulp and paper industry in Canada began several years ago to suffer the ills that business generally is now suffering from, and its ills also are traceable to the high prices which induced capital to expand productive capacity beyond the available demand. Naturally prices fell and mills have run at from 75 to 85 per cent of capacity most of the time since. Dividends have been endangered or dropped in many cases while demand is catching up to production. It is claimed that newsprint prices are too low, and certainly the price has proved low enough to slow up further expansion of the industry. It has also occasioned a number of major mergers in recent years to cut down overhead costs in selling, buying and production. In fact, the pulp and paper industry has now the advantage of two or more years of trying to win through on a basis of economy and efficiency. It is apparent that improvement in the volume of business will work back more beneficially on this industry's affairs than on others which have not had such a gruelling experience.

Soon, this year or next, one should begin to see a distinct improvement in the affairs of the best-managed companies. If and when it comes it will be well for the holder of Abitibi 6 per cent preferred selling on a basis of 7.59 per cent, of Port Alfred Pulp and Paper preferred which is selling to give a yield of 8.75 per cent, St. Lawrence Paper Mills preferred giving a yield of 8.45 per cent, or St. Maurice Valley preferred selling to yield 8.43 per cent. A recession in business naturally delays the recovery of these companies but the process of readjustment which had already been proceeding for two years places them in a better position than they have been for some years.

Worst Days May Be Over

It would appear to the present writer that flour milling companies have also in recent years seen their worst days. In the boom days these two great industries in Canada (that is flour milling and pulp and paper) were not having their best times, and they may well be in the van when better times come again. A new appreciation is evident in the West of the value of the milling industry in Canada to the farmer both because the flour exports raises the prestige of Canadian wheat and because it affords a direct market right at home for an important part of the crop. The two must advance together, and improvement in the flour exports will ultimately help the wheat exports. Flour milling industry also comes under the category of industry with capacity to produce in excess of consumption, increases in Europe especially in recent years having caused excessive competition for foreign markets.

Those companies affected by drops in the levels of construction of all kinds of buildings, power projects, automobiles and railroad lines, will come back inevitably as demand recovers, if they have built strong enough liquid reserves to enable them to stand rainy days. Steel companies are the first to show the effects of such drops in demand from U.S. Steel, the world's biggest company, to the smallest Canadian. Canadian steel companies have shown a relatively better position than United States steel companies because conditions have been better here. Nevertheless the spectacle of dropping steel production in the United States has depressed securities of steel companies in Canada though the yields on securities of Steel Co. of Canada show that confidence of Canadians runs high that this company is strong enough to survive business depressions without affecting dividends. Yet Standard Steel preferred sells to produce a yield of 7.59 per cent, Hayes Wheels to produce a yield of 7.52 per cent and Disher Steel at 8.33 per cent.

Building Companies Promise Well

As road construction still proceeds apace, securities of paving companies would be expected to show a lower yield than they do. However, the severe price-cutting resulting from keen competition which nearly brought a merger last year of Canada Paving, Standard Paving and Dufferin Paving is regarded as an ever-present possibility though the companies are doing well currently. Road-building in this day of automobiles and country-wide systems of bus routes becomes every month of more importance and the trend of events would therefore favor the most efficient companies.

Building Products, Canada Cement, Gypsum, Lime & Alabastine are well entrenched and will grow as Canada grows. Canadian Dredging is doing good business right now. The companies which, like Dominion Bridge, Hamilton Bridge, and Canadian Car & Foundry, have either a feast or famine, report large current orders still on hand; and expectations based on past records, especially for Dominion Bridge and Canadian Car, are deservedly high.

Then there is that group of companies which prospers directly as the general level of business runs high or low. These are the hotels, theatres, wholesale houses and retail stores. Therefore one finds Windsor Hotel 6.50 per cent preferred, in spite of its good record in the past, selling on a yield basis of 8.12 per cent, Western Grocers 7 per cent preferred selling on a yield basis of 11.47 per cent, Eastern Theatres preferred 7 per cent selling to yield 8.23 per cent and Hamilton United Theatres 7 per cent preferred selling to yield 9.21 per cent. The public is evidently afraid of small picture theatre companies even if the history of earnings and payments is good.

Packers Stands In Own Class

British Columbia Packers stands in a category of its own. It has a business essentially profitable, a market which is good both in bad times and good. But runs of salmon vary, packs are large or small just as crops of wheat are, and the constant market has led to too many fishing for the salmon. It does not appear that there can be over-production in this field but too many fishing, and the limiting of seasons by the Dominion Government to conserve the supply from year to year, have led to unprofitable seasons of late years from the standpoint of the holders of stock. Packers, governments and countries have come together, however, on understandings which promise to be of advantage to the company in years to come. Mergers have reduced the tendency to put too much gear into the water and diversification of product is building for the future. B.C. Packers preferred, with its yield of 12.44 per cent, may have hazards but has bright possibilities as well.

Luring The Adventurous

There are also companies which have exceptionally bright prospects and ever-present hazards at one and the same time. Northern Mexico Power 7 per cent preferred gives a yield of 8.43 per cent at recent market levels. It has a good present situation but it was once in liquidation for no fault of its own and recent earnings have been good. The properties are evidently valuable and the company is administered by able directors and management. The market reflects therefore not lack of confidence in the company so much as lack of confidence in Mexico because of the background for three decades in revolutions, in failure to pay accounts due some power companies, though these may ultimately be settled, and in recent disturbing policies amounting almost to confiscation of properties held by foreign companies. Yet all this seems to be in a fair way to improve.

Then there is Orange Crush "A" selling to yield 11.66 per cent and Honey Dew to yield 12.06 per cent, although both companies do a rushing business, especially in a hot summer season. This is a reflection of the feeling of the general public that special products, no matter how strongly entrenched in popular favor, enjoy large earnings more or less on sufferance of a public which might drop away if it were not for continual advertising and aggressive salesmanship. Most companies of this kind do not show large equities in tangible assets behind their stocks, and this, too, has its effect. Meanwhile, the companies do an active and increasing business, especially Honey Dew.

Porto Rico Railway preferred also gives a yield of 8.33 per cent because the company is in a country little known to most Canadians except for a tornado which figured largely in news a few years ago. International Power is in the same category. Kelvinator preferred offers 8.53 per cent yield, and is a stock attracting the adventurous just as Northern Mexico Power and Porto Rico Railway preferred do. The company has an improving position, but because it has not earned its dividends until recently most investors have shied away from it and the yield has become correspondingly high. Now the company appears to be riding on the crest of a sudden desire of the public to change rapidly to electric refrigeration. Its dividend is guaranteed and has been paid in past years by the American company. Now the Canadian company is doing well in its own field and has as well a British subsidiary which promises to do well.

International Paper & Power preferred stocks also attracted the adventurous, even though dividends have been paid for years before revenue came near the total needed. They could see a daring but well-conceived plan of development; they could believe that large-scale power projects would eventually give the company more than the needed revenue. Thus, a yield of 8.43 has definite attractions.

High Yields and Good Earnings

McColl Frontenac preferred dividends were earned three times over last year and yet the yield is more than 7 per cent. The company is expanding rapidly in a highly competitive field but earnings for preferred would have to fall off very greatly to endanger them. Observe these yields of preferred stocks of companies with good records and, so far as recent operations disclose them, excellent prospects: Supertest Pete preferred yielding 7.14 per cent; Abitibi 6 per cent preferred yielding 7.59 per cent; Beatty Bros. preferred yielding 6.81 per cent; Hamilton Bridge preferred yielding 7.38 per cent well guarded in active years; Weston preferred yielding 7.69 per cent, though this company never did so large a business as now, according to reports from official sources, and is expanding in the United States and Canada, the public evidently being unwilling to pay more for the stock until the results of aggressive expansion are apparent over several years; and Woods Manufacturing Co., which has paid dividends on preferred every year since the war and earned them in all but two years, the stock at present prices yielding 9.45 per cent.

Large yields are also offered by the following preferred stocks of companies ordinarily doing good business: Edmonton Dairy, Fanny Farmer, Amalgamated Electric, Blue Ribbon, Tooke Bros., United Fuel, and C. W. Lindsay.

Must Advance Against Adversity

The positions of Monarch Knitting preferred, giving a yield of 11.66 per cent, and Mercury Mills preferred, showing a yield of 8.21 per cent, and of Twin City preferred have to be considered on a different basis. These companies are in industries which are powerfully affected by current conditions which offer little prospect of near-term improvement, the first two companies by competition from foreign companies employing labor at lower cost than in Canada and the second by competition from automobiles and buses and by higher costs.

Companies making intoxicating beverages also have a permanently unsatisfactory legal position for export to the United States. Brewing company preferred stocks are depressed because of over-productive capacity in the industry, Pelissiers showing a yield of 11.66 per cent and Associated Breweries 8.23 per cent.

The yield of 12 per cent for National Brick preferred and of 10 per cent for Thayers preferred depends upon results attained by the companies themselves and will change as their results change.

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Canadian Pacific Railway Company

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Redeemable, at the option of the Company, in whole or in part, on any interest date, on 60 days' prior notice, at 104 on or before July 1, 1940; at 103 thereafter on or before July 1, 1945; at 102 thereafter on or before July 1, 1950; at 101 thereafter on or before July 1, 1955; at 100½ thereafter on or before July 1, 1959; and at 100 thereafter prior to maturity; in each case plus accrued interest.

THE ROYAL TRUST COMPANY, MONTREAL, Trustee.

Mr. E. W. Beatty, K.C., Chairman and President of the Canadian Pacific Railway Company has furnished the following information:

The Canadian Pacific Railway Company Thirty-Year 4½% Collateral Trust Gold Bonds will be direct obligations of the Canadian Pacific Railway Company and will be specifically secured by pledge with the Trustee of $30,000,000, principal amount, of Canadian Pacific Railway Company 4% Consolidated Debenture Stock.

The Consolidated Debenture Stock is authorized by Act of Parliament of the Dominion of Canada, passed in 1889, and subsequent Acts. By the terms of these Acts, the Consolidated Debenture Stock constitutes a first charge on the entire assets and undertaking of the Company, except lands received by way of subsidy, subject to certain priorities and to the payment of working expenses as defined in the Railway Act. The priorities, or underlying obligations, aggregate $38,641,724, principal amount, and cover only 1,642 miles of railroad, whereas the lines embraced in the Company's traffic returns aggregate 15,242 miles.

Interest on the Consolidated Debenture Stock is, therefore, a first charge, subject to the above priorities, upon the net earnings and special income of the Company, which in the year 1929 amounted to $58,376,764. The requirements of the securities underlying the Consolidated Debenture Stock amounted to $1,907,396, and the interest charges on the Consolidated Debenture Stock amounted to $11,061,795, which together with rentals and other interest charges, resulted in total fixed charges for the year 1929 of $16,149,003. Fixed charges were thus earned over 3.5 times. For the ten-year period ended December 31, 1929, such net earnings and special income have averaged over 3.5 times the average annual fixed charges.

The Company's Collateral Trust Gold Bonds have priority over $122,048,587, aggregate par value, of preference stock and $335,000,000, aggregate par value, of common stock, representing an equity at current market prices of over $700,000,000. The preference stock has received 4% dividends without interruption since its issuance in 1893. The common stock has received dividends continuously since 1882, the rate since 1911 having been 10% per annum.

As of December 31, 1929, there was outstanding in the hands of the public $276,544,882, aggregate principal amount, of Consolidated Debenture Stock, in addition to which $77,500,000, aggregate principal amount, of the said Consolidated Debenture Stock is pledged under three issues of Collateral Trust Gold Bonds now outstanding in the aggregate principal amount of $62,000,000, and an additional $30,000,000, principal amount, of Consolidated Debenture Stock will be pledged under this issue.

The proceeds of this issue will be used chiefly to reimburse the Company's treasury for capital expenditures made and being made.

Application will be made to list these Bonds on the New York Stock Exchange.

Price 98 and accrued interest, to yield 4.62%

These bonds are offered when, as and if issued to and received by us, and subject to the approval of legal proceedings by Messrs. Shearman and Sterling of New York, and Messrs. Meredith, Holden, Heward and Holden, of Montreal. It is expected that delivery in the first instance will be made on or about July 24, 1930, in the form of temporary bonds.

The National City Company Limited
Guaranty Company of New York Limited
Bank of Montreal
Lee, Higginson & Co.
The Union Trust Company of Pittsburgh
The Royal Bank of Canada
Wood, Gundy & Company Limited

The above information is based upon official statements and statistics on which we have relied in the purchase of these Bonds. We do not guarantee but believe it to be correct.

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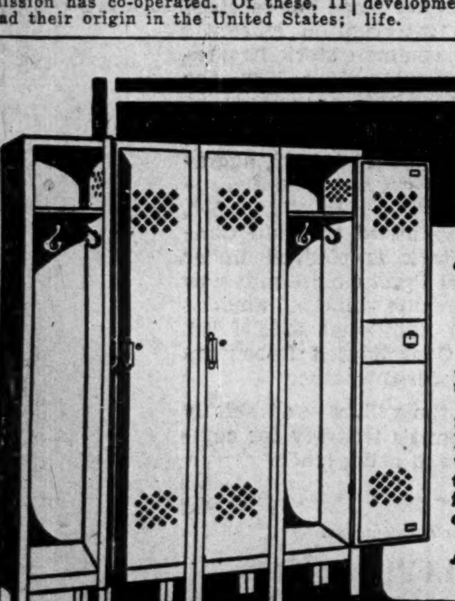
Toronto Secures Industries

The Toronto Industrial Commission announces that between January 1 and June 30, 15 new industrial firms have come to Toronto, with which the commission has co-operated. Of these, 11 had their origin in the United States; four originated in other parts of Canada. The list of these new industries includes a number of outstanding companies whose entrance into the assembling and manufacturing field in Toronto means an important growth and development in the city's industrial life.



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Public Utility Investments

QUE. TELEPHONE PROFITS BELOW DIVIDEND NEEDS

Progress Made During Past Year—Conserve Cash Position

From Our Own Correspondent

MONTREAL.—Operating revenues of the Quebec Telephone and Power Corporation for the year ended December 31, 1929, was along lines estimated earlier in the year. Net revenue, however, was somewhat under dividend requirements, the deficit being approximately $11,000.

Telephone operating and other revenues for the year amounted to $194,868. After taking care of operating expenses, interest charges and other prior deductions, there remained net profits for the year of $41,821. Earnings per share were equal to $1.16, as against dividend payments of $1.60.

Particulars of the profit and loss account follow. As this is the first full year of operations, comparative figures are not available:

Telephone operating revenue	$176,055.01
Other revenues	18,812.88
Total revenue	$194,867.89
Total operating expense	88,367.34
Gross income	$106,500.55
Less deductions:	
Interest on funded debt	23,582.77
Interest on floating debt	9,849.91
Other miscel. deductions	2,221.37
Deprec. on permanent assets	29,525.46
	64,679.51
Net profits carr. to surplus acct.	$41,821.04
Consolidated Surplus Account	
Balance, Dec. 31, 1928	$409,514.03
To sundry adjust. during year ..	4,018.10
	$405,495.93
By net earn. for year 1929	41,821.04
	$447,316.97
To dividends declared	52,042.70
To equity of minority shareholders	515.93
	52,558.63
Balance Dec. 31, 1929	$394,758.34

Assets Near $2,000,000

A consolidated balance sheet as at December 31, 1929, shows total assets of $1,933,303, of which amount $1,550,943 represents plant and equipment. Included in this figure is an item of $236,162 for organization expenses. Investments and rights are carried at $57,913, and the difference in book value of systems corporation stock at $167,039. Prepayments are down on the books at $1,893 and unamortized debt discounts and expenses were $44,289. Deferred debit totalled $1,047.

There is an excess of current liabilities over current assets, amounting to about $98,000. Current assets are shown at $101,175 and current liabilities at $199,210.

Funded debt is shown at $285,100 and other liabilities at $5,030. Reserves for depreciation on permanent assets total $244,152. Minority equity in surpluses of system corporation total $515.

Underwritten Stock Unpaid

Capital stock of the corporation outstanding is shown on the books at $755,037, represented by 35,892 shares of Class "A" and 33,894 shares of class "B" stock. In addition, there are 9,251 class "A" and 10,249 shares of class "B" stock, underwritten, but unpaid. Capital stock of minority shareholders in system corporation amounts to $48,505, while the surplus is shown on the books at $394,758.

It will be recalled that the management, in order to conserve its cash resources, cut the dividend on the Class "A" stock from 40 cents to 20 cents quarterly, last April. The management evidently intends to continue this policy for the time being, it having declared a dividend of 20 cents a share on the class "A" stock for July 1.

Acquire Three Properties

In his address to the shareholders, J. A. Brilliant, president, said in part:

"The year under review has witnessed the realization of prospective earnings for the corporation. Three properties were acquired during the year. Two fireproof buildings were erected: one at Rimouski and the other at Matane. Both are equipped with standard installations to take care of the growth of business in these towns.

"Two hundred and twenty-five miles of copper line were erected between Montmagny and Mont-Joli and through Portneuf county, and furthermore fifty miles of rural lines, which should prove in a short time very beneficial to the corporation.

"During the year additional purchases of outstanding minority common stocks of subsidiary companies were made, increasing the corporation's aggregate controlling interest."

Quebec Power Rate Schedule is Corrected

From Our Own Correspondent

MONTREAL. — Quebec Power Company has issued a correction on the power rate announced last week. The rates quoted then were, for the most part, incorrect.

The standard rate in Quebec and Levis is now 5 cents, against 5½ cents up to the time of the present reduction, and grading down according to the scale of consumption on the following basis:

Urban service charge per month, 33 cents, plus 4½ cents per kw.h., for the first 30 kw.h. per month; plus 4 cents per kw.h. for next 70 kw.hs. per month; plus 2¼ cents per kw.h. for the next 400 kw.h. per month; plus 1½ cents per kw.h. for balance of consumption during month.

The monthly minimum charge is $1. A discount of 10 per cent is allowed in either instance for payment within ten days from date of bill.

Glace Bay May Buy Power from Dominion Steel Plant

From Our Own Correspondent

MONTREAL.—Municipal Council of Glace Bay, N.S., has under consideration the scrapping of the present municipal power plant and buying power from the new seaport power plant recently completed by the Dominion Steel and Coal Corporation.

A contract was submitted by the corporation to the town, but this was returned for certain alterations. Further conferences will be held, and it is expected that a contract will be drafted agreeable to the committee representing the town and the corporation.

It is reported that the company's offer to supply power to the town was on the basis of 1 1/7 cents per kw.h., the town to handle the distribution as it is now doing. At such a rate the town could sell power at less than half the present cost, which is 13 cents per kw.h.

Bell Telephone Start Big Job

From Our Own Correspondent

MONTREAL.—The Bell Telephone Company is calling for tenders on the erection of a new building adjacent to the head office structure on the corner of Beaver Hall Hill and Lagauchetiere St. The tenders will cover a four-story structure, with an alternative of seven stories, the proposed building to be the first unit in an ultimate edifice that will cover the whole block westward for several hundred feet, and reach a height of 23 storeys.

This new building will consist, eventually, of a sub-basement and seven stories, and of these the basement and five stories will be devoted to long distance equipment. Eventually the long distance switchboard and associated apparatus, now operating from the Notre Dame Street building will all be centralized in this new Belmont Street structure, involving the probable abandonment of Notre Dame Street as an operating centre.

Avon River Co. Seek Approval Another Deal

From Our Own Correspondent

MONTREAL. — Avon River Power Company continues to absorb various utilities operating in Nova Scotia.

Application has been made to the Nova Scotia Board of Commissioners of Public Utilities for an order approving the sale and transfer of the undertaking and business of the Walkerville and Cambridge Electric Light and Power Company Limited, as a going concern, to the Avon River Power Company.

According to information available, capital invested in the Waterville and Cambridge Electric Light and Power Company, amounts to $36,970. The plant was installed in 1923, operating under an average head of 300 ft., with an output of 75 k.v.

Distribution system comprises twelve miles of wooden pole lines, and power is being distributed in Cambridge, Waterville and vicinity, and sold in bulk for distribution to the Grafton Electric Light and Power Company. During 1926 the company generated 33,432 kw.h. of electric energy. The number of customers totalled 118, of which 100 were domestic.

SOUTHERN CANADA TERRITORY EXPANDS

Industrial Growth Reflected in Larger Demand for Power

From Our Own Correspondent

MONTREAL.—Continued industrial expansion in the Eastern Townships of Quebec, is noted in a letter accompanying the dividend cheques sent out by the company to shareholders. After pointing out that the kilowatt hour output is a reliable index of industrial expansion and quoting the fact that production in the twelve months ending May 31, 1930, reached 165,169,905 kw.h., compared with 151,372,000 kw.h., in the preceding period, the review goes on to say:

"At St. Hyacinthe, the Goodyear Tire and Rubber Company of Canada, Limited, which acquired the Canadian Manhassett's plant in 1926, formally opened its new plant for the manufacture of the fabric. The new factory is expected to produce about sixty per cent of the cotton fabric used by that company and its officers are loud in their praise of the industrial facilities offered in the territory covered by your company's system. This new industry will supply work to approximately 800 people.

"At Drummondville, the Dennison Manufacturing Company of Framingham, Massachusetts, will soon take possession of the new plant built for them. The building which is 240 x 120 feet is designed for future extension. The company after carefully investigating the facilities offered in Ontario and in our province, finally selected Drummondville as the location for their Canadian plant which is intended to supply the market in Canada and in British possessions preferentially supplied from Canada.

Plenty of Activity

"At Farnham, Quebec, the Barry and Staines Linoleum Company of Canada, Limited, have let a contract and construction of a large plant has commenced on the site they selected last year. The American Wringer Company, Limited, have made arrangements for the production of Stedman Rubber Flooring for the Canadian market, to be marketed by Messrs. Alexander Murray and Company who have a Dominion-wide selling organization.

"At St. Hyacinthe, the Gotham Silk Hosiery and the Consolidated Silk Company who have recently increased their personnel are working overtime and so are the Bruck Silk Mills, the F. W. Vilas Company and Footwear Findings of Canada, Limited, in Cowansville. In Granby, the Nordic Hosiery are installing three new hosiery knitting machines.

"The development and extension of the company's business call for improvements and extensions to its system. A new switching station is being installed at Richmond and is practically completed, the switches at this new station are of the remote control type and will be operated from Richmond office. This feature should add greatly to the reliability of the service in that district. The capacity of our transmission lines from Actonvale to St. Hyacinthe is being considerably increased to take care of additional demand for power. About one third of the work is already completed. New franchise has been given by the Township of Stanstead, covering the villages of Tomifobia, Fitch Bay and Georgeville; the necessary lines are being built to supply these villages with light and power.

"The various municipalities being served by the company continue to improve their street lighting systems. Farnham has added 34 300-watt lamps to its street lights; Granby, Cookshire and East Angus have also added quite a number of 300-watt lamps, besides a substantial increase in the number of the smaller sized lamps in other towns."

Chats Falls Power Enlarge Directorate

From Our Own Correspondent

MONTREAL. — The Quebec Official Gazette carries announcement of a change in the by-laws of Chats Falls Power Company, increasing the number of the board of directors from seven to ten.

Chats Falls Power Company is participating with the Ontario Hydro-Electric Commission in the development of a large power site on the Ottawa River at Mohr Falls. A committee of four, two representatives from Ontario and two from the Chats Falls Company, are supervising construction work.

MONTREAL POWER CUSTOMER STOCK OFFER IS SUCCESS

Heavy Subscriptions from Applicants Poured Into Office

From Our Own Correspondent

MONTREAL. — Montreal Light, Heat and Power Consolidated report generous response on the part of customers to its offer of common stock with payment spread over a two year period. It was thought that applications might be limited owing to the unsettled conditions in the stock market and uncertainty over the business outlook, but such has not been the case.

The management has refrained from advertising or pushing the sale of the stock in any way, and the manner in which applicants have come forward has been pleasing to the company. In one day last week, for example, 22,000 applications were made, an average of 8 shares being requested by each applicant.

The offer expired on July 15 and it will likely be a few weeks before the final returns are made. Originally the company estimated that customers would subscribe for around $25,000,000 worth of stock (including rights). There is little doubt but that this figure will be exceeded by a substantial margin.

Exceed Earlier Estimates

Shareholders list also will show a large increase in names. At the end of last year there were 27,000 stockholders. As a result of the present offering, it was expected that some 15,000 names would be added to the list. This figure will undoubtedly be exceeded by a substantial margin.

One of the principal causes contributing to the success of Montreal Power's customer ownership campaign, was the marked success of the initial offering in 1926. In that year customers were offered the privilege of buying stock at $50 a share, with payments spread over two years. For each share of stock bought at the time, the holder has now 2 shares which have an aggregate value of about 115, or an appreciation in value of 130 per cent. These shareholders have been the best advertising media of the company and played no small part in contributing to the success of the 1930 campaign.

Not Limiting Subscription

There was a story circulated to the effect that in view of the heavy subscriptions, the management would cut down the number of shares allotted to the individual subscriber. Under the terms of the offer, each customer for electricity can subscribe for 7 shares and the user of gas for 3 shares, or to those people taking the dual service, 10 shares. As there are approximately 250,000 customers, this meant a maximum allotment in the neighborhood of 2,000,000 shares. There is no intention of limiting the subscriptions, however, the company being desirous of building up its shareholders list.

The stock has given a good account of itself on the market in the past few days, currently selling around 58.

Canada Northern Power Territory Operating Full

From Our Own Correspondent

MONTREAL.—Business conditions in the territory served by Canada Northern Power Corporation, are reviewed in a letter accompanying dividend cheques sent out by the company on June 30. It says:

"Although business conditions in other parts of both Canada and other countries have been dull, the industries served by your company have continued in full operation, in some cases increasing their power demands.

"The gross earnings of the company continue to be quite satisfactory, the total amount for the twelve months ending May 31, 1930, being $3,143,780.70 as compared with $3,130,843.99 during the corresponding period last year.

"Prospects for the future are most encouraging, as the directors of several mines have announced their decision to increase the capacity of their mills.

"Construction work on the new mill to replace the one destroyed by fire last fall at Dome Mines, Limited, is proceeding rapidly, while the directors of McIntyre Porcupine Mines have announced their intention to build a new 2,000-ton mill. These developments will increase the power load of the properties concerned, by about 3,800 h.p.

Mines Are Active

"In Kirkland Lake a similar condition prevails. The expansion programme inaugurated at the Lake Shore Mines is well under way, and the announcement was made recently that the directors of Teck-Hughes Gold Mines will increase the capacity of their mill from 900 to 1,250 tons per day.

"New contracts on a basis satisfactory to both the mines and your company have been signed by Teck-Hughes, Wright-Hargreaves and Kirkland Lake Gold Mines.

"The construction of our new plant at the Upper Notch is rapidly approaching completion, and it is expected that power from this source will be available before the end of the present year.

"Operations at the pulp mill operated by the company, and our merchandise department are in a healthy condition, in fact, shareholders have every reason to be pleased with the satisfactory manner in which our business is progressing."

Canada Northern Power Reports Larger Output

From Our Own Correspondent

MONTREAL.—Electric energy generated by the Canada Northern Power Corporation during April, 1930, totalled 29,233,300 kw.hs. This compares with 28,985,250 kw.h. in the same month a year ago. Cumulative production for the twelve months ended April 30 last, totalled 350,400,110, as against 347,925,787 kw.h. in the preceding twelve months period.

Jamaica Public Service Changes Wording of By-laws

From Our Own Correspondent

MONTREAL.—To conform with legal demands, shareholders of Jamaica Public Service, Limited, at a special general meeting, ratified two minor technical changes in the articles of association. The changes were in the wording of the by-laws, made necessary by the change, some time ago, in the par value of the stock.

Public Utility Earnings

Jamaica Public Service

May—	1930	1929
Gross earn.	$ 68,925	$ 63,174
Net earn.	28,773	25,190
Surp. after chgs.	22,377	18,651
12 Mos. end. May 31—	1930	1929
Gross earn.	803,980	718,356
Net earn.	327,234	294,284
Surp. after chgs.	252,738	220,221

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Unconditionally guaranteed as to principal and interest by Canada Steamship Lines.
At 97 and accrued interest to yield 6.25%.

INTER CITY WESTERN BAKERIES LIMITED
6½% First Mortgage Bonds
Due 1950
Controlled through ownership of 88% of common stock by Lake of the Woods Milling Company.
*At 100 and accrued interest to yield 6½%.**

**Carrying a bonus of ½ share of common stock with each $100 principal amount of bonds purchased.*

NESBITT, THOMSON & COMPANY
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Montreal Quebec Ottawa Hamilton London, Ont.
Winnipeg Saskatoon Victoria Vancouver

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St. John River Power Installing to Capacity

From Our Own Correspondent

MONTREAL.—St. John River Power Company has let a contract to the Canadian General Electric Company for the fourth generator of 20,000 h.p. capacity. This generator will be installed at the Grande Falls plant. There are three similar generators operating at present and when the fourth has been put in position, the falls will be delivering 80,000 h.p. This will complete the equipment called for in the original plant.

The purpose of the new unit will be to meet demands for electric energy arising out of the installation of the second paper machine in the Dalhousie mill of the New Brunswick International Paper Company, whose plant was opened early this year.

New Brunswick Commission Investigating Power Sites

From Our Own Correspondent

MONTREAL.—Members of the New Brunswick Electric Power Commission are making a survey of suggested sites for the modern steam electric power plant to be established in the Grand Lake coal area. Three sites have been suggested to the commission, namely, at Minto, on the shore of Grand Lake near Newcastle Street wharf, and at the head of Grand Lake, near the mouth of Salmon River. No decision has been reached at the moment.

The commission plans will provide an adequate supply of electric power at favorable rates for York, Queen and Sunbury Counties, and will also provide a large market for coal from the Grand Lake mines.

June Asbestos Shipments Register Further Decline

From Our Own Correspondent

MONTREAL.—Shipments of asbestos were off during June as compared with the same month a year ago. A decline was also registered as compared with May this year.

The following are now associated with this Company

Mr. W. B. Watson

Mr. P. R. Hampton

Bell, Gouinlock & Company Limited

Toronto July 15th 1930

QUALITY—the Essential Safeguard in Monetary Documents

"They Were Forced to Verify the Issue"

THE newspaper carried the story! Counterfeit stock certificates of the Premier Public Utility Corporation had been found in a police raid on a recently discovered headquarters of a group of clever counterfeiters.

The general manager knew the full significance of this news. One counterfeit certificate in circulation defeats the validity of a whole issue. They would be forced to verify the issue.

The general manager knew another thing. It was he who had urged that the stock certificates be bought on price instead of quality. He had been taught his lesson.

There can be no compromise with quality in the making of bonds, or stock certificates. For over 100 years, the Canadian Bank Note Company and its predecessor company have been making the counterfeiters' task more and more difficult.

Today, the world's finest vignette engraving, specially prepared safety paper, special inks, expert supervision in preparation against loss or overissue, are our clients' safeguard against the counterfeiter.

Quality in monetary documents is the first essential in protecting your company's and your shareholders' interests.

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473

New Canadian Company Will Invest in Spain

Iberian Electric Co. with a capital of $34,000,000 has been formed in Canada with the object of investing in electric properties in Spain and Portugal. The company has been formed by the European Electric Corp. through its engineering and management affiliate Italo-Belge, and the United Electric Securities Co., a subsidiary of General Electric Co.

The new company has acquired an interest in the Sociedad Hispano Portuguese de Transporte de Electricos, the Alberche Water Power Co. and the Seville Electric Co. The first company is building a hydroelectric power plant in northern Spain with an ultimate capacity of 240,000 h.p. at an estimated cost of $12,000,000. The Alberche Water Power Co. operates a water power plant on the Alberche River in Spain and the Seville Electric Co. supplies electricity to the provinces of Seville, Cadiz and Huelva in southern Spain.

Ore Receipts at Trail

Ore receipts of the Trail smelter of the Consolidated Mining and Smelting Company of Canada, Limited, from July 1 to July 7, 1930, inclusive, and from Jan. 1, 1930, to date, in tons, were as follows:

	For week.	For year
Company's mines ...	9,201	245,190
Other mines	....	5,924
Total	9,201	251,114

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3. *Low money rates point to an increase in bond prices over the near future.*
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News of Investment Markets

CANADIAN PACIFIC COLLATERAL BONDS PLACED ON MARKET

Issue of $30,000,000 is Handled by International Syndicate

From Our Own Correspondent

MONTREAL.—A syndicate headed by the National City Company, and including Canadian and American bankers, is offering $25,000,000 of Canadian Pacific Railway 30-year, 4½ per cent, collateral trust bonds.

Like the other collateral trust issues, the current offering is secured by $30,000,000 of Canadian Pacific Railway 4 per cent consolidated debenture stock. This stock is a first charge on the entire assets and undertakings of the Canadian Pacific Railway, except lands received by way of subsidy, subject only to priorities and to the payment of working expenses as defined in the Railway Act.

Substantial Equity Exists

At December 31, 1929, there was outstanding in the hands of the public $276,544,882 of consolidated debenture stock, in addition to which $77,500,000 of this issue is pledged under three issues of collateral trust bonds, now outstanding in the aggregate of $62,000,000. An additional $30,000,000 of consolidated debenture stock will be pledged under this issue.

The collateral trust bonds of this and previous issues have priority over $722,048,587 of preference stock, and $335,000,000 of common stock outstanding, an equity at current market prices of over $700,000,000.

$25,000,000
Canadian Pacific Railway Company
30-Year 4½% Collateral Trust Bonds

Dated: July 1, 1930. **Mature:** July 1, 1960.

Security: Direct obligation of the company and will be specifically secured by pledge with the trustee of $30,000,000, principal amount, of Canadian Pacific Railway Company's 5 per cent consolidated debenture stock.

Interest Charges: Requirements on securities underlying the consolidated debenture stock amounted to $1,907,396 and interest on the consolidated debenture stock amounted to $11,061,795, which, together with rentals and fixed charges, resulted in total fixel charges for 1929 of $16,149,003. Fixed charges were thus earned over 3.5 times.

Priority: Collateral trust bonds have priority over $122,048,587, aggregate par value, of preference stock and $335,000,000, aggregate par value, of common stock, representing an equity at current market prices of over $700,000,000.

Purpose of Issue: Proceeds of this issue will be used chiefly to reimburse the company's treasury for capital expenditures made and being made.

Listing: Application will be made to list these bonds on the New York Stock Exchange.

Offer: The National City Co., Guaranty Co. of New York, Bank of Montreal, Lee, Higginson and Co., The Union Trust Co. of Pittsburgh, The Royal Bank of Canada, and Wood, Gundy and Co., at 98 and interest, to yield 4.62 per cent.

Armstrong Cork Issue Offered in Canada

From Our Own Correspondent

MONTREAL—Armstrong Cork Company is issuing $14,931,000 of ten year convertible five per cent gold debenture bonds, public offering being made through a syndicate headed by the Guarantee Company of New York.

This company and its predecessors, has been in business for nearly seventy years. It is the largest manufacturer in the world of linoleum, cork, insulation, corks and cork specialty. Properties include ten manufacturing plants in the United States, six in Spain, and nine cork separation plants and twenty-three assembling stations in Spain, Portugal, France, Algeria, Tunisia and Morocco.

Particulars of the issue follow:

$14,931,000
ARMSTRONG CORK COMPANY
10-YEAR CONVERTIBLE 5% DEBENTURE BONDS TO MATURE JUNE 1, 1940

Business: Manufacturer of cork in various forms. Maintains numerous plants.

Purpose of Issue: Retirement of funded indebtedness, for further capital expenditures and for other corporate purposes.

Capitalization: These bonds constitute only funded debt. All outstanding securities of subsidiaries are owned by the company except 3,850,000 pesetas of bonds of a Spanish subsidiary.

Assets: As of December 31, 1929, adjusted to give effect to this financing, net tangible assets, totalled $61,304,444. Current assets, including proceeds of this financing, amount to $31,678,705 and current liabilities to $3,890,572.

Earnings: Net earnings after depreciation, but before interest on obligations to be liquidated through this financing and before income tax, amounted to $5,602,652 in 1929. Average of the past five years amounted to more than 6 times annual interest charges on these bonds.

Conversion: Convertible into common stock on the following basis: on or prior to June 1, 1935, at $65 a share, thereafter to and including June 1, 1937, at $70 a share, and thereafter at $80 a share. Company has paid $2 in cash dividends on present stock since 1895.

Offered: Guaranty Company of New York, The Union National Bank of Pittsburg, The Union Trust Company of Pittsburg, and Bankers Company of New York, at 98 and accrued interest to yield over 5.25 per cent.

Austrian Loan of 1930 Is Offered in Canada

An issue of $25,000,000 7 per cent sinking fund gold bonds of the Austrian Government is being offered by a syndicate headed by J. P. Morgan & Co. at 95 to yield 7.40 per cent at maturity. The issue, for which the Bank for International Settlements is trustee, represents the United States portion only and offering is also being made in Great Britain, Holland, Switzerland, Sweden, Italy and Austria to an amount which will yield the Austrian government a total of some $55,000,000. The proceeds will be used to meet capital expenditures on the Austrian railways and properties of the postal and telegraph administration.

Bonds are dated July 1, 1930, and are due July 1, 1957. A cumulative sinking fund sufficient to retire the entire United States issue will be established. Principal and interest is payable in New York. Security of the issue lies in a charge upon the gross receipts of the custom and of the tobacco monopoly in Austria which in 1929 amounted to some $84,400,000. The bonds are a direct and unconditional obligation of the Austrian government.

Bond Tenders

July 17, Westville, N.S.—$30,000, 5%, 20-yr. debentures, dated May 1, 1930. T. W. Murray, clerk.

July 17, noon, Township of Toronto—$12,000, 5%, 20-year bonds. J. R. Kennedy, clerk.

July 18, between 10 a.m. and 3 p.m., Newfoundland—$2,500,000, 5%, interest payable half-yearly, maturing June 30, 1955. Principal and interest payable at the office of the Minister of Finance and Customs, St. Johns, Nfld., or at the Bank of Montreal, St. Johns, Nfld., or at par of exchange at the following places, viz.: Bank of Montreal, Montreal; Agency, Bank of Montreal, New York; Bank of Montreal, London, Eng. These bonds will be free from all present and future taxes, including income tax payable in the Dominion of Newfoundland. Peter J. Cashin, Minister of Finance and Customs, St. Johns, Nfld.

July 19, Lethbridge—$37,526, 5½%, dated July 1, 1930, due $35,134 July 1, 1950, and $2,392, July 1, 1960; payable Lethbridge, Toronto, New York or London. T. H. Fleetwood' city treas.

July 19, Municipality of the township of Tremblay—District of Chicoutimi, $25,000, dated July 1, 1930, 5½%, redeemable serially from January 1, 1931 to January 1, 1951, Honore Gagnon, sec.-treas. Tender should specify whether accrued interest included or not. Object: Building of bridge and making of certain by-roads.

July 21, Springhill, N.S.—$44,200, 5% debentures dated July 2, 1930 of which $7,000 is due in 10 years, $1,800 in 6 years and $35,400 in 25 years. A. G. Allbon, deputy town clerk.

July 21, Municipality of Notre Dame de la Dore County of Lake Saint John—$64,000, 5 and 5½%, redeemable in 30 years from June 30, 1930, or in 10 and 15 years, serially. Ls. Tremblay, sec.-treas. Object: Building of water works.

July 21, Town of Jonquiere—$147,800, redeemable serially to 1940. Tender should specify offer for bonds bearing interest at 5½%; whether offer includes accrued interest on bonds from May 1 to delivery; and whether offers includes costs of printing bonds and their delivery. J. M. Lacroix, clerk.

July 21, 5 p.m., Township of Stamford—$79,160, 5%, 20 and 30 instalments as follows: $65,770 dated Dec. 20, 1929, payable Dec. 20, 1930-49; $13,390, dated Dec. 20, 1929, payable Dec. 20, 1930-59. Dave Allen, Tnp. Clerk, Tnp. Hall, Niagara Falls, Ont.

July 22, City of Levis—$9,000. dated May 1, 1930, 5½%, redeemable serially from May 1, 1931 to May 1, 1950. Lionel Lemieux, clerk. Object: Expenses connected with the Registry Office of the Copnty of Levis.

July 23, 4 p.m., Dalhousie, N.B.—$25,000, general improvement debentures, 5½%, date of issue Aug. 1, 1930, of redemption Aug. 1, 1950. Interest payable semi-annually. F. B. Swinnard, clerk and treas. (See announcement on page 16).

July 31, Alliston, Ont.—$93,000, 5½%, 30 instalment, sewer debentures, guaranteed as to principal and interest by the County of Simcoe. M. Lowery, clerk.

Saskatchewan authorizations granted by the local government board from June 28 to July 12, 1930.

Schools: Bonnievale No. 4023, $1,200; Ladder Valley No. 4831, $1,400; Vanguard No. 3126, $4,500; Prelate No. 3397, $10,000; Olicana No. 4126, $1,500; Pea Vine No. 3383, $2,000; Ararat Springs No. 1064, $1,500; Briarlea No. 3108, $500; Forest Edge No. 4803, $3,500; Iris No. 4154, $3,500 (renewal); Kingsville No. 2288, $4,500; Lemberg No. 1752, $5,800; Meuse No. 3869, $2,500; Meota Village No. 790, $1,500; Mimer No. 2813, $2,800; Underwood No. 511, $1,500; Wolf Creek No. 179, $4,000; Beatty R. T. Co., $8,600; Roger, R. T. Co., $200; Birsay Village, $1,500; Heron R. T. Co., $600; Town of Oxbow, $7,500.

The following certificates have been issued by the Municipal Department of the Province of British Columbia upon the following dates: April 5, 1930—District of Burnaby: "Waterworks Loan By-law 1929," By-law No. 1013, as amended by "Loan By-law 1929 Amendment By-law No. 2, 1930," By-law No. 1032, $80,000, 30 years 5% payable half-yearly. April 7, 1930—Prince George: "Electric Light Extension By-law No. 292, 1929," $33,000 15 years 5% payable half-yearly. April 10, 1930—Cranbrook: "Local improvement debenture consolidation by-law 1929," By-law No. 470, $54,629, ten years, 5% payable half-yearly. April 17, 1930—District of Coquitlam: "Local improvement debenture by-law 1929, No. 274," $1,047, ten years, 5% payable half-yearly. District of Coquitlam: "Local Improvement Debenture By-law 1929, No. 275," $1,729, ten years, 5% payable half-yearly. April 22, 1930—North Vancouver: Local Improvement Debenture Consolidation By-law, No. 1, 1930," By-law No. 1170, $31,890, 15 years, 5% payable half-yearly. April 23, 1930—North Vancouver: "Local Improvement Debenture Consolidation By-law, No. 2, 1930," By-law No. 1171, $92,013, 20 years, 5% payable half-yearly. May 1, 1930—Kamloops Local Improvement Consolidating By-law No. 598, $15,339, ten years, 5% payable half-yearly. May 23, 1930—District of Oak Bay: "Local Improvement Consolidating By-law No. 11," By-law No. 618, $28,726, ten years, 5% payable half-yearly. "Trail Local Improvement Cement Sidewalk Debenture Consolidating By-law," No. 648, $32,539, 20 years, 5% payable half-yearly. May 26, 1930—District of Oak Bay—"Local Improvement Debenture By-law No. 75," By-law No. 609, $381, five years, 5% payable half-yearly. May 30, 1930—District of Oak Bay: "Local Improvement Consolidating By-law No. 10," By-law No. 617, $7,965, 20 years, 5% payable half-yearly. District of Coquitlam: "Smith Road Local Improvement Debenture By-law 1930, No. 288," $3,034, 15 years, 6% payable half-yearly. District of Coquitlam: "Jackson Street Local Improvement Debenture By-law 1930, No. 289," $424, ten years, 6% payable half-yearly. District of Coquitlam: "Henderson Avenue Local Improvement Debenture By-law 1930, No. 290," $533, ten years, 6% payable half-yearly. June 2, 1930—City of Duncan: "Local Improvement Debenture By-law Consolidating By-law 1929, No. 2," By-law No. 319, $6,000, ten years, 5% payable half-yearly. June 23, 1930—Trail: "The Hospital Grant Debenture By-law," By-law No. 652, $16,000, 20 years, 5% payable half-yearly. June 26, 1930—"Trail-Tadanae School District Debenture By-law," By-law No. 653, $16,104, 20 years, 5% payable half-yearly. June 30, 1930—District of Glenmore: "Waterworks By-law, 1930," By-law No. 45, $10,000, 25 years, 5½% payable half-yearly. July 2, 1930—Nanaimo: "Waterworks Improvement Loan By-law, No. 468, 1930," as amended by By-law No. 473, "Waterworks Improvement Loan By-law, Amendment By-law No. 475, 1930, $145,000, 40 years, 5% payable half-yearly. Kelowna — "Streets Equipment By-law," By-law No. 527, $9,000, ten years, 5% payable half-yearly. "Burnaby Waterworks Extension Loan By-law, 1930," By-law No. 1096, $100,000, 30 years, 5% payable half-yearly.

PRESTON, ONT.

A. E. Ames & Co. was awarded $88,776, 5 per cent, 15 and 20 installment debentures of the municipality of Preston, Ont., on July 15, at 97.11, a cost basis to the town of approximately 5.11. A total of $68,776 matures in 15 installments and $20,000 in 20 installments. Bids were as follows:

1 A. E. Ames & Co.	99.17
2 Wood, Gundy & Co.	98.43
3 Bank of Montreal	98.41
4 C. H. Burgess & Co.	98.39
5 Dom. Securities Corp.	98.37
6 Dyment, Anderson & Co.	98.331
7 Gairdner & Co.	98.170
8 R. A. Daly & Co.	98.13
9 Fry, Mills, Spence & Co.	98.077
10 Bell, Gouinlock & Co.	98.05
11 J. L. Graham & Co.	98.04
12 H. R. Bain & Co.	98.01

Saskatchewan Authorizations Granted by the Local Government Board from June 20 to June 28, 1930

Schools: Aldina, No. 4760, $1,000; Braeval, No. 4834, $1,800; Bredenbury, No. 1186, $3,600; Cleavering, No. 3747, $2,300; Edward Grey, No. 3459, $2,000; Grove Valley, No. 4824, $1,000; Gruenthal, No. 4714, $1,500; Lilly, No. 2841, $4,300; Marneau Lake, No. 4845, $900; McCord, No. 4820, $1,000; Rothsay, No. 1302, $5,000; Thompson Valley, No. 2721, $1,300; Turnout, No. 4120, $1,000; Twelve Mile Lake, No. 2328, $3,500.

Edenland R. T. Co. Ltd.: $175.

NEWFOUNDLAND SHOWS SURPLUS IN FISCAL PERIOD

Place Tax on Gasoline and Reduce Tariff on Steel Products

Reporting a surplus of $8,771 for the fiscal year ended June 30, 1930, as compared with a deficit of $1,107,173 for the previous year, Hon. P. J. Cashin, Minister of Finance for Newfoundland recently presented his budget speech in which he reviewed the finances of the Dominion for the past few years and estimates for the forthcoming year. The surplus is the first since the year ended June 30, 1925.

For the year ending June 30, 1931, it is estimated that revenue will be $11,380,500 as compared with $11,470,544 during the past year and that expenditures will be decreased from $11,461,773 to $11,363,140. On this basis the fiscal year 1930-1931 will show a surplus of $17,361 as compared with the present surplus of $8,771.

The chief change in the tariff is a tax of 5 cents per gallon on gasoline which, however, will not apply to gasoline used by bona fide fishermen in their motor boats while engaged in fishing. There is a slight reduction in tariff upon iron and steel products.

During the past year there was an increase in revenue from every department with the exception of crown lands and telegraphs. Customs, income tax, liquor department, miscellaneous revenue and death duties furnish the major part of the $1,400,000 increase. Exports of the Corner Brook Mills increased by 20,000 tons and Grand Falls increased by 3,000 tons over 1928 exports while the fishermen received better prices for their catch. The purchasing power of the country was greater and resulted in an increase in imports which is reflected in the growth in customs revenue. Stamp duties as amended during the last session brought an increase of revenue from $56,000 in 1928-29 to $72,000 in 1929-30, death duties increased from $51,000 to $120,000.

Debt Charges Heavy

The public debt of the Dominion after giving effect to the new loan will total $89,538,772 upon which the annual interest charges will be $4,278,549. The minister states that the Dominion must cease borrowing, that payment of railway and highway deficits out of loans cannot be continued indefinitely and that these deficits must come from current account. In addition to interest requirements there are other items of expenditure which cannot be reduced and which total in all $6,485,749 or more than one-half of the total expenditure for all services.

The estimate of revenue and expenditures for the year 1930-31 is as follows:

ESTIMATED REVENUE 1930-31	
Customs	$8,850,000.00
Postal	400,000.00
Telegraphs	200,000.00
Inland Revenue Stamps	72,500.00
Crown Lands	125,000.00
Fines and Forfeitures	8,000.00
Assessor's Department	600,000.00
Fees Public Institutions	70,000.00
Broom Department	2,000.00
Liquor Department	350,000.00
Interest Guaranteed Loans	76,000.00
Miscellaneous	500,000.00
Taxes and Assessments	67,000.00
Death Duties	60,000.00
	$11,380,500.00

ESTIMATED EXPENDITURE 1930-31	
Finance	$4,947,937.74
Colonial Secretary	128,862.50
Public Charities	310,859.05
Public Health	322,910.00
Justice	394,982.75
Education	1,001,065.03
Marine and Fisheries	452,707.00
Agriculture and Mines	107,750.66
Public Works	995,862.00
Posts and Telegraphs	1,437,895.54
Customs	558,637.50
Assessor	15,120.00
Pension Commissioners	640,550.00
	$11,313,139.86
Additional Estimates	50,000.00
	$11,363,139.86
Revenue	$11,380,500.00
Expenditure	11,363,139.86
Estimated Surplus	17,361.14

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Can. Electric	6½%	25-yr.	Sep. 1	105
Avalon Tele. "A" ..	6%	20-yr.	Aug. 1	105
Siemens & Halshe ..	7%	1935	July 30	102
Wahnapitae Pr.	6½%	1944	†	105
Federal Distillery ...	8%	10-yr.	Aug. 25	105
Hamilton Cataract Pr.	5%	1943	Oct. 1	110
St. Lawrence Pr. ..	*6%	1953	Aug. 1	105
North State Power .	8%	....	Aug. 1	105
Bastrop Pulp ...	*6½%	1940	Aug. 1	101½
Foreign Issues—				
French Line	6½%	1951	Aug. 15	103
Norway	6%	1970	Sep. 1	100
Rep. of Finland .	*5½%	1958	Aug. 1	100
Roumania	*7%	1959	Aug. 1	100

*In part.
†Callable on 60 days notice.

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STEEL OF CANADA INCREASES EQUITY BACK OF STOCKS

Will Retire $331,673 of Bonds for Sinking Fund

From Our Own Correspondent

MONTREAL.—Steel Company of Canada is purchasing for sinking fund purposes some $331,673 worth of its own 6 per cent thirty-year bonds. This will reduce the funded debt of the company to $4,726,591 and compares with the original issue of $10,000,000 in 1910.

Reduction of the funded debt further improves the equity and earning power back of the preferred and common stocks. There is now outstanding $6,496,300 of the former and 460,000 shares of no par value of the latter.

As far as can be learned there has been some recession in the volume of business handled by the company this year. This is not surprising in view of the limited buying power in the West, where a large proportion of the company's production is marketed. Taken as a whole, however, the dollar volume of business this year should compare favorably with that reported last year.

Dividend Dispute Unsettled

During 1929 earnings on the preferred stock were equal to $13.62 a share and on the common stock $6.70 a share, before taking participating feature into consideration. The former participates equally on any distribution after 7 per cent, or $1.75, has been paid on the common. Just now there is litigation over the rights of the common shareholders, the dispute being before the Privy Council for decision.

When the two classes of stock were split on a four for one basis and a new dividend of $2 a share, or 8 per cent on the old stock declared, certain holders of common stock claimed that the extra distribution should not take place until the common had received 7 per cent for each year since the formation of the company. The lower courts ruled in favor of the plaintiffs, but, as a matter of principle, the matter was referred to the Privy Council. A decision is expected some time this fall.

Meanwhile both stocks have been somewhat unsettled while the litigation is in process. The common stock is now selling several points above the preferred. There will hardly be an active market on either stock until the lawsuit is terminated.

Heavy expenditures have been made by the management in the past year and a half in improvements and additions to property. The latest work undertaken is the construction of an ore dock at Hamilton and the erection of a new galvanizing plant at the same point.

Last year the company completed the installation of two open-hearth furnaces at the Hamilton plant, a 10-inch and 12-inch merchant mill, a cleaning and distributing system for blast furnace gas and a central pumping station for the plant water supply.

Additions and improvements also have been made to the company's plants at Brantford, Swansea, Lachine, Montreal and Gananoque.

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WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	—Sold To—	Rate	Maturity	Amount	Price	Basis
Oakville, Ont.	July	J. A. Gairdner & Co.	5%	10-yr.	$21,938	97.20	...
			5%	20-yr.	111,853		
			5%	30-yr.	6,237		
District of Burnaby, B.C.	July	A. E. Ames & Co.	5%	1940	40,440	98.55	5.11
			5%	1960	100,000		
Saskatchewan Schools	July	Miscellaneous	...	....	76,300	....	...
Village of Bounty, Sask.	July	H. M. Turner & Co.	6¾%	10-yr.	4,500	....	...
Village of Cupar, Sask.	July	H. M. Turner & Co.	6%	15-yr.	6,000	....	...
Preston, Ont.	July	A. E. Ames & Co.	5%	15-ins.	68,776	99.17	5.11
			5%	20-ins.	20,000		
Montreal, City of, (Notes)	July	Bank of Montreal and Syndicate	...	1-yr.	7,500,000	...	3⅝%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues	Date Issued	Offered by	Rate	Due	Amount	Offered	Yield
Canadian Pacific Railway	July	Bk. of Montreal, Royal Bank, Wood, Gundy & Co., and a U.S. Syndicate of 4 companies	4½%	1960	$25,000,000	98	4.62%
Armstrong Cork Co.	July	Guaranty Co., N.Y., Union National Bank of Pittsburg, Union Trust of Pittsburg, Bankers Co., N.Y.	5%	1940	14,931,000	98	5.25
Austrian Government International Loan, 1930	July	J. P. Morgan & Co., and U.S. Syndicate ...	7%	1957	25,000,000	95	7.40
Commonwealth Edison	July	Halsey, Stuart & Co.	4½%	1960	12,000,000	97.50	4.65
Stock Issues—							
Northwestern Investment & Holding Corp.	July	Pemberton & Son	6%	Pref.	$850,000	99	6.06%
Atlas Exploration Co.	July	D. S. Paterson & Co., W. F. Irwin Co., etc. ..	...	Com.	250,000	1.00	...

Bonds for Investment

With the rediscount rate at 2½% in New York and 3% in London, with a world commodity market that is substantially increasing the purchasing power of the dollar, and with the recent slackening in the volume of new issues, the outlook for the bond market appears particularly favourable at the present time. The attractive investments now available in bonds merit the consideration of private and institutional investors.

The National City Company underwrites and deals in all classes of sound investment securities. Our current list of recommended bonds contains a diversity of issues with yields ranging from 4½% to 7½%. A copy of this list will be mailed to any investor on request.

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TORONTO, JULY 17, 1930

WAITING ON BRITAIN

SIR FREDERICK WILLIAMS-TAYLOR, formerly general manager of the Bank of Montreal, very accurately appraised the Canadian reaction to the new preferences in the budget. In a letter to the Morning Post of London, Sir Frederick pointed out that the controversy in Canada at the present time is more in regard to the application of the broad principles of enlarging the scope of the British preference, rather than in regard to the policy they represent. This is quite true. There is almost unanimous approval in Canada of the policy of extending preferential trade arrangements among the countries of the Empire. The Mackenzie King policy, which has many advocates, is for Canada to make generous advances in this direction, hoping to gain benefits later. The Bennett policy, which also has many supporters, particularly among the business men of Canada, is to build a permanent structure of preferential trade by a series of negotiated agreements that are frankly bargained for.

Whether the British Government will respond to Canada's offer is very doubtful. Mr. King is hopeful that the British people will do so. But Great Britain did not respond to Canada's preferential gift in 1897 and we have no assurance that they will so respond today.

Sir Frederick, in his letter to the Morning Post, expressed the hope that the people of Great Britain would estimate at its true value the remarkable crystallization into definite legislative policy of trends in Canadian economic developments which have been matters of controversy ever since the Dominion was established. He said "If the people here in the heart of the Empire realize the importance of extended preferences as a distinct forward movement in trade co-ordination within the Empire and, realizing that importance, react to Canada's advances, then it may well prove both by precept and by example a turning point in the history of the British people and mark a long step towards the economic federation of the world's greatest Empire."

But will the British people respond? That is a question to which no answer can be given at the present time. Precedent suggests that such response will not be forthcoming and that it would have been better for Canada to have arranged a direct treaty with Great Britain.

THE BURDEN INCREASES

DURING the long-drawn-out period of rising commodity prices, from the beginning of the century to 1920, those who were the holders of fixed income securities were the most serious sufferers. The $30 per annum earned on a $1,000 three per cent bond dwindled to an equivalent purchasing value of between $12 and $15 per annum. Governments, corporations and other institutions that had borrowed money on long-term bond issues, naturally benefited. While they earned their yearly profit or garnered their yearly taxes in high-priced dollars, they paid them in low-priced dollars. They continued to pay three per cent on their money while other borrowing bodies were arranging new loans at five and six per cent. And as their issues matured they paid them off at low-price dollars. The investor who paid for his bonds, the equivalent of, let us say, two good steers, received back the equivalent of one steer.

Now we are apparently in the midst of a protracted decline in commodity prices, a decline that has so far run its course that it is estimated that the purchasing power of gold has risen since 1920 by more than 60 per cent. Investors in fixed return securities have been the beneficiaries. The purchasing value of the dollars they have invested has risen considerably. If the decline in commodity prices continues, bonds and similar securities will continue to have attractions. The movement of the first twenty years of the century seems likely to be reversed in considerable measure during the second twenty year period.

From the standpoint of government borrowers, the continued decline in commodity prices has had the effect of adding to the burden of war costs which the world is carrying. Sir Josiah Stamp, one of the most famous of British economists, who is on this continent now, states that the decline in commodity prices has, in effect, added seven billions of dollars to the British national debt during the past few years. He points out that the actual increase in the burden due to the decline in commodity prices is greater than the amount that has been paid off. If we apply the same rule to Canada, our national debt has increased by about four times as much as we have been able to pay off it since the year it reached the peak.

Leading economists throughout the world consider that the decline in commodity prices must be checked if the present world-wide industrial depression is to be remedied. They look to co-operative action among the banks of the world to bring about price stabilization through the more effective use of the world's admittedly insufficient lack of gold. This is the chief reason why many economists have taken so warmly to the idea of the banks for international settlements. Representing as it will most of the central banks of the world, it will have considerable opportunity to effect co-operative efforts for the stabilization of prices. Other economists oppose attempts to interfere with the working of natural laws.

RISING POWER COSTS

DURING the last ten years of operations of the Ontario Hydro-Electric Power System, a publicly-owned enterprise, the average cost of power to industrial firms has risen by $3 per h.p. This is in striking contrast to the record of power enterprises elsewhere in Canada and in the United States. In most centres, other than Ontario, striking reductions in the price of power have taken place.

In the year 1919 the municipal Hydro Systems, acting as distributors of the power supplied them by the provincial systems, sold 127,800 h.p. of energy to industries in 21 cities in Ontario. The cities took then, as now, 80 per cent of the system's power. They received for this industrial power $2,516,600 or an average rate of $19.75 per h.p.

Now let us look at 1929. The commission's report is now out and comparable figures may be extracted from it. In the year 1929 the systems sold 351,800 h.p. in 23 cities at a total cost of $8,006,800, an average of $22.75, just $3 per h.p. more than 1919. Ontario constructed the Queenston-Chippewa canal and power house to lower power costs. But while Ontario has reduced costs of domestic lighting it has added to the burden of industry. The $3 per h.p. increase in ten years represents more than one million dollars per annum extra toll on Ontario factories.

The 1929 report of the commission indicates that the two cities that had the lowest industrial power rates in Ontario were St. Catharines ($14.94 average) and Ottawa ($15.01 average). In these two cities the Hydro had private power competition. That explains, no doubt, why these cities were able to buy industrial power at $7 per h.p. less than the average for Ontario cities in the Hydro belt.

Public ownership, Ontario's experience demonstrates, means increased power costs.

CHANNELS OF TRADE

AN AMERICAN business service publishes a letter from Washington which states that most American authorities admit that Canada has been treated badly in the new tariff law. The same authorities express doubt as to whether Canada will be able to turn to the British Empire for commodities heretofore purchased in the United States.

The clear meaning of this, of course, is that official Washington realizes that its new tariff is unfair to Canada, but that as Canada is in no position to do anything about it, the United States will not lose much. As a near view of the situation this is probably correct. Canada cannot change its international channels of trade in a year or in five years. We cannot greatly increase our trading within the British Empire without the co-operation of British authorities, particularly Great Britain, in which country the education of public opinion to policies that will permit preferential arrangements is going to be a slow process. Even the Dunning tariff will have little early effect on our trade channels.

The next ten years may see vast far-reaching changes in the sources of our imports and the destination of our manufactured and agricultural products but the new American tariff, the Dunning tariff and such preferences as we now enjoy in British countries are not in themselves sufficient to change the character of our whole foreign trade.

A SOCIALIST RACKET

THE League for Industrial Democracy, which is the chief propaganda organization for Socialism in the United States, has been holding a conference on the subject of racketeering. There are enough evils in business now to keep any conference busy with several days of investigation and discussion, but the League for Industrial Democracy, with its well known facility for subversive propaganda, did not discuss improper monopolies, boycotts and coercion, etc. Rather it attempted to prove that insurance, public utilities, the tariff and taxation of improvements are forms of modern racketeering.

One speaker at the conference asserted that conditions today in life insurance were worse than a quarter of a century ago. Another speaker accused the public utilities of the United States of gouging $250,000,000 a year out of their customs in excess charges. This amount, he felt, would be saved if all the public utilities were publicly-owned. Another speaker contended that since land values were due to the efforts of society, society should use its taxing power to take them these values for its own benefit.

It is rather interesting to quote these views because it is the League for Industrial Democracy that is most active in circulating in the United States propaganda concerning the Ontario Hydro-Electric Commission. It makes use of the frank of a member of the United States Senate to distribute literature favorable to public ownership, quoting the Canadian experiment as its model.

The League for Industrial Democracy is one of the most efficient rackets devised. Just such conferences as this one enable it to get funds from well-meaning, but misinformed people, to pay salaries to its organizers and to keep it from dying from the starvation that should be its meed.

MR. MOORE'S THEORIES

IN what was probably the ablest political speech made in the present political campaign, William H. Moore, former chairman of the Tariff Board, now Liberal candidate in Ontario South, said:

"Protection may or may not mean higher prices for the consuming public. I could tell you of an industry having 30 per cent protection and selling its goods at the world's lowest price. And I could tell you of protection, the full burden of which falls upon the consumers, with but trifling benefit to Canadian labor."

Mr. Moore's address demonstrated that in his chairmanship of the Tariff Board he had discovered many inequalities and discriminations in the tariff. It is unfortunate that he did not induce the Government to alter more of these and it is also unfortunate that he resigned before completing his studies of some major industries. Mr. Moore declares that "under the Mackenzie King administration, the human factor became the prime consideration in tariff making." And again, "Our yardstick for protection is labor." This may have been the theory of Moore-Robb-Dunning tariff-making and it was also the dominant factor in some of the changes they made but it was not fully carried out.

Why, for example, did the Moore-Robb-Dunning combination leave the job printing industry, and such allied trades as lithographing and carton-making, exposed to the menace of an excess of printing flooding this country from the United States, when an adequate tariff would have made jobs in Canada and protected our industrialists from excessive American trade propaganda, and all without placing any burden on the Canadian consumer?

Apparently, Mr. Moore gave up the job before he had been able to put all his thoroughly sound theories into practice.

WINES AND WHEAT

WINES, the produce of France, of Italy, of Spain and of Portugal are sold from one end of Canada to the other, and, in fact, sold by governments.

In each of these countries wine production for export is a basic industry, as wheat production for export is in Canada. Each of these countries has recently made large increases in its tariffs on wheat.

The United States by its laws not only makes it difficult for these countries to sell any of their products in the United States, but absolutely prohibits the entry of wines.

The United States has wheat to sell abroad, just as has Canada, but the government of that country is trying to cut down production to get rid of its export surplus.

Canada, on the contrary, seeks larger outlets for its export wheat.

Put these facts together and there is a basis for a new government effort to secure favorable tariff treatment for Canadian wheat. There is a "talking point" to put before these governments to show why they can afford to admit Canadian wheat at lower tariff rates than are applied to wheat from other countries, and especially from the United States.

Our total importation of wines from all countries amounted, for the twelve months ending March last to $3,200,768. Brandy and liqueurs add another three million dollars to the total. It is a trade possible of expansion.

The market for wines is a very serious matter, indeed, for the countries mentioned, and the loss of trade formerly enjoyed with the United States in pre-prohibition times has been a damaging blow to them. It is one factor in the present wheat situation, both as decreasing their ability to import and pay for products of other countries, and in creating a state of mind in which they are anxious to shut out imports from North America.

Everyone in Canada seems now to be committed to the idea of trying to increase our trade with Great Britain, by voluntarily extended tariff preferences as embodied in the policies of the present government, or by way of bargaining, as is the policy of their Conservative opponents. But we need a good deal more than the British market for our wheat. If we had the whole market exclusively it would not take care of all the wheat this country has annually to sell, and there is not the slightest chance in the world of our getting the whole market. We must find markets in continental Europe.

European countries should be shown that this country is both willing and anxious to conduct reciprocal trade with them, and that if they cannot afford to import from the United States at least it is to their advantage to deal with Canada.

The matter of wines is only a starting point, but it is a good starting point, because the policy of this country is so different from that of the United States. Deliberate importation of European articles of luxury for sale to visitors to this country, in accordance with the suggestion recently emanating from the Royal Bank of Canada would be another. That suggestion has been dealt with mainly from the standpoint of increasing the profits of our merchants handling such products, but it might become of even greater importance in connection with our trade relations with other countries.

Scotland to Winnipeg by Air

The New York Times

The leader of the British Arctic Air Route Expedition, H. G. Watkins, which sails from the Thames for Greenland on Thursday, makes out a good case for air travel from Scotland to Winnipeg by way of Greenland. On the line lie the Faroe Islands and Iceland. Nowhere are there more than 300 miles of water to be flown. But two doubts arise: the handicap of sea fog and the obstruction of the Greenland ice cap as a hazard to flying. The American Army aviators were much troubled by fog, as Mr. Watkins admits, on the sea legs to Greenland. It took them nineteen days to traverse 1,700 miles from the Orkneys to Frederiksdal, on the south coast of Greenland. Bad weather and the difficulty of finding suitable landing harbors on the east coast accounted for much of the delay. Last summer Captain Ahrenberg was a month flying from Denmark to Greenland, and in the end had to give up his attempt to proceed by an Arctic route to New York.

These experiences give the British party pause without discouraging them. It is calculated that seaplanes could be guided by wireless directional beacons from the Orkneys to the Faroes, to Iceland and the east coast of Greenland. The Air Ministry is making a survey of flying conditions between the Faroes and Iceland. It is planned to make non-stop flights from Reykjavik to the Greenland ice cap and land there on skis. The main work of the British expedition will be to study the ice cap, but also a "geographical and ground survey of a large section of the east coast of Greenland" will be made. West of Greenland co-operation by Canada is assured. It is expected that the air will be clearer at Angmasalik and over the ice cap than is the case going from that settlement down to the southern coast.

There is much testimony that the ice cap is usually free from fog. A winter is to be spent on the highest part for meteorological research. The theory that a depression in the ice cap all the way across Greenland exists will be tested in the hope of finding an easier line of flying than over the high cap. Canada will be expected to supply details about the crossing of Davis Strait to Baffinland and the feasibility of a route thence to Southampton Island, Hudson Bay, down to Fort Churchill, and thence on to Winnipeg. The Canadian record for flying in sub-Arctic and Arctic territory is admirable. If the Greenland ice cap presents no serious obstacle to aviators, the prospect for an air route from Scotland to Winnipeg will look brighter. Mr. Watkins predicts that "what we shall do in Greenland will be novel and exciting work." It is a great adventure which will be well worth reporting.

POST-scripts

IS partisan politics losing out in the news columns of Canadian daily newspapers? The current election campaign seems to indicate that more newspapers than ever before are attempting to give fair treatment in their political news and in the headlines in such news to all parties and are definitely keeping their editorial opinions within the boundaries of the editorial page or in special semi-editorial articles.

In the old days it was expected that the Liberal papers would play up the Liberal speeches and use only such Conservative speeches as might later prove embarrassing to the Conservatives. And the Conservative papers did not refrain from publishing twisted reports of Liberal meetings. That sort of journalism seems to be passing. The few papers that still try to fool the public by distorted political news are fighting a losing battle. The public is too wise to be gulled that way and will not stand loyally behind the paper guilty of such conduct.

An outstanding example in Canada of a newspaper that keeps its politics out of its news columns is the Montreal Gazette but in this election it has had the Mail and Empire of Toronto as a strong supporter of that policy, although the Mail and Empire front page in former times was a sight to gladden the eye of the most confirmed Tory. Even the Toronto Telegram, which used to fight political battles without scruples, has given Mr. King a good "play" in reporting his speeches.

EVERY once in a while we hear of someone having held thirteen cards of a suit in bridge. We believe none of these stories (except when they relate to goulashes). The odds are too small to permit of the number of such hands reported in the press. Concerning one such claim made recently by a woman, it was pointed out by bridge mathematicians that under the law of probabilities she would have to play eight rubbers a day for 11,024,541 years before she would get another hand like it. A pack of fifty-two cards can be dealt into 53,644,737,765,488,792,839,237,440,000 different combinations, and the odds against any specific thirteen cards appearing in one hand are 635,013,559,600 to one.

To put it another way, if there are 22,000,000 people playing bridge in Canada and the United States, and they play four rubbers every day in the year the odds are that only once a year will such a hand come up. Or it may be four times a year. We're not sure of our mathematics at this point.

Other People's Views

America's Example

Wall Street Journal.—When representatives of the Bank of England, the Midland Bank and other important financial institutions in London join in signing a manifesto calling for protected free trade within the Empire it is time for us to take notice. Taken as a whole the British Empire is as important to us in our export trade as the remainder of the world. Farms, factories, transportation, finance and labor are directly interested in this trade. The matter is so great that immediate note should be taken of anything that promises to improve or threaten to unfavorably affect that trade.

In the past calendar year practically 50 per cent of our exports of merchandise went to ports within the British Empire. Cotton, foodstuffs, livestock products, raw and manufactured materials and articles made up this trade. So it is that every section of the country and every form of business or class of labor is interested in what the British Government does with a matter affecting international trade. It is true that the manifesto is a private action and may never go further. But it comes from influential sources that give it powerful backing.

Canada initiated the movement for a close empire trade by her tariff. The general rates on a great many commodities were raised while for the British Empire they were either lowered or else removed entirely. This manifesto is a call for an extension of that movement and for the building of a tariff wall around the Empire within which the different members could trade with each other. This would be but following the example of America which sets up a tariff against the world while the Constitution provides for free trade between the members of the Union.

City Profits at Once

Public Utility Magazine, Chicago.—Advocates of municipal ownership, including a newspaper editor, warned the people of Moose Jaw, Saskatchewan, that many dire results would befall them if they voted to sell their city-owned electric plant to a private company. Heedless of the warning, the people voted three to one to sell. Immediately the private owners announced a reduction of 10 per cent in all rates paid by the people and another reduction of 5 per cent within two years. These reductions were announced notwithstanding the fact that the company pays the city $25,000 in taxes, while the municipal plant had paid not a cent of taxes.

The dire results to the people thus far in turning from municipal to private ownership therefore are lower rates and new income from taxes, with such improvement in service as naturally follows such a change of ownership, from municipal to company.

Insurance for the Veterans

Manitoba Free Press—An important advantage was offered to many ex-service men by the granting by parliament of a three years' extension of time for receiving applications for soldiers' insurance. There are 30,000 policies in effect now. When the receiving of applications was closed in 1923, approximately 23,000 veterans had taken out the insurance and the number was increased by 7,000 between 1928, when the opportunity was reopened, and the present time.

There is more than $72,000,000 worth of insurance now in force. Death claims have been paid to the amount of nearly $6,000,000 and there is a cash balance in the fund of about $7,000,000.

If the sale of this insurance had been pushed like the sales by private companies there is no doubt that a great many more veterans would have taken advantage of it. It is provided for men who are substandard risks and who would have difficulty in obtaining insurance in the ordinary way. There is no doubt that the organized ex-service men will actively encourage the men who need this insurance to make use of the offer which has been renewed by the government.

The administration costs of this insurance scheme are paid by the government. Otherwise, there has been no loss to date. But since thousands of subnormal risks are being accepted at normal rates for insurance, the government must necessarily meet a considerable loss as time goes on.

The provision of this insurance is a compensation that is due, however, to men who saw active service at the front—many of whom are not pensioned — and who would be unable otherwise to provide the necessary protection for those dependent upon them.

Square Things Up

Vancouver Province: A man from Asia or Europe looking in upon this Dominion with its mere handful of population and unmeasurable treasures of natural wealth would be surprised to find groups of idle men standing around the streets of Canadian cities. He might decide that these men or their leaders were ignorant of the opportunities which challenge on every hand in the new country to the north.

On a given day last summer, O. S. Finnie, administrator of the Northwest Territories, was at Aklavik, N.W.T., Dick Finnie, son of O. S., was with the Canadian Expedition at Ellesmere Island, N.W.T.; Miss Dorothy, the daughter was at Kingston, Ont. and Mrs. Finnie was at Vancouver.

All were in Canada and no two were closer together than 2500 miles.

Few have any idea of the vast area of Canada. No one knows exactly how valuable are the resources of Canada. Most Canadians spend their lives worrying about a narrow little fringe of country just north of the U. S. border, some 3,000 miles wide by a hundred miles or so deep. The Canada of the future will develop far to the north.

One of the tasks before the Canadian people is to square things up in Canada so that down in the north there may be found opportunity for men and money. The level has been laid east and west; now for the perpendicular columns of the national arch.

As Others See Us

An Unfortunate Condition

Canadian Grocer: An editorial appearing in last week's issue of The Financial Post deplores the fact that so few of the really big executives in business attend the annual meetings of the Canadian Manufacturers' Association. This is no reflection on the ones who do attend and there are some who have taken a very close interest in the affairs of the organization for many years. It is a fact, however, that there is not a very representative showing of chief executives at those meetings. As a matter of fact this condition also exists in many other associations. It almost seems typical of associations that they do not represent many of the really big men in the line of business concerned. Too frequently the officers are men who do not rank very high and most of the really important men do not even attend the sessions, let alone hold office.

There can only be one reason for this situation and that is, the majority of the bigger and more successful men do not feel that it is worth their while to attend such gatherings. That is a sad reflection on the programme of the conventions of such associations. If progress is to be made by such organizations, they must plan to get the attention of the big and important men on a broader scale than has been the case in the past. There have been some good men participate in association work and there are today some very good men in this line of work. But there are not enough of them and they are greatly outnumbered by the office-seeking type of man who goes into associations not for the advantage of contact with his brothers in business, but only for what personal prestige he can get out of it.

Stop Me If You've Heard This One

Constable—Have you seen any suspicious looking people around here lately?

Dad—Yes, a bloke took a rabbit out o' me whiskers lars' night at the circus.

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Each year sees added emphasis placed on the value of research. Federal and Provincial Governments have pledged their support to further scientific advancements . . Canadian manufacturers are co-operating whole-heartedly . . and their greatest need today is young men of vision.

Nor is there any doubt that the youth of Canada will acquit themselves nobly. Their thirst for knowledge has made them familiar with such phenomena as electric light, radio and the "talkies". Their ambition will not be satisfied until they have helped to make electricity serve still more efficiently in Canada's homes, offices and industries.

For many years Canadian General Electric Company has been privileged to assist in training "electric-minded" youths of the country. Hundreds of young men have passed through the Students Training course, maintained by the Canadian General Electric Co., Limited, to positions of responsibility in the modern electrical world.

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Business Conditions in Canada

NEW U.S. TARIFF AIMS TO EXCLUDE SOVIET PRODUCTS

"Forced Labor" Clause Effective 1932 Would Affect Moscow Plan

By M. M. WILNER

WASHINGTON.—One feature of the United States tariff act which appears to have escaped the attention of most Washington observers while the bill was pending may become the subject of wide international interest when it goes into effect.

The old provision prohibiting the importation of goods made wholly or in part by convict labor has been amended to include the products of "forced labor," and that term has been given a legal definition which leaves small chance to doubt the intention.

In Force in 18 Months

"Forced labor," as herein used, means all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily.

After Jan. 1, 1932, however, when the forced labor amendment will apply, the law may fit most of the exports from Russia. The Communist laws leave little basis for dispute that peasants and workmen are compelled to enter into the state industries, whether they wish or not, and are penalized if they refuse. Agriculture, fisheries, forestry and mining, at least, and probably much of the manufacturing, depend on this governmental compulsion. Apparently the success of the entire Communist scheme of organization rests on the denial to workmen of the right of choice, though the Soviet spokesmen doubtless would say that their system expects the conversion of all workers to Communist principles and voluntary acceptance of the labor statutes.

Affects Western Trade

At all events, this new law of the United States evidently is designed as a safeguard against competition by compulsory government labor in Russia. It doubtless reflects the influence of the American Federation of Labor, which is strongly opposed to Sovietism.

It must raise the question, therefore, whether Russian competition is likely to affect industrial conditions in the western world generally. The present depression in the wheat markets of the United States and Canada undoubtedly can be traced in part to the exportations of grain into Western Europe by the Soviet government. The wheat crop is a chief source of Soviet revenue and affords the principal means of paying for machinery and other manufactured products, which make up most of the Russian imports. These exports of grain occur at a time when Soviet laws restrict the favored manual workers to two pounds of bread a day and allow only one pound a day to other persons, even to members of workers' families, while the disfranchised classes, outside the Communist ranks, are given no food cards at all, but must buy as they can.

This is keeping the population so close to famine that the policy of the Soviet leaders must be to substitute mine, forest, fishery and manufactured products for grain exports as rapidly as possible. In any case, the government enterprises must depend on underselling to obtain markets, and it is possible that the United States has set an example which other countries eventually may be forced to consider.

MAPLE SUGAR OUTPUT DECLINED DURING 1930

Slight Increase in Maple Syrup Shown For Year

The production value of maple syrup and maple sugar in Canada in 1930 is estimated at $5,250,620 by the Dominion Bureau of Statistics in its annual report on this important industry. This compares with production values at $6,118,656 in 1929 and $5,584,000 in 1927.

The decline is due to a drop in the production of maple sugar from 11,698,925 pounds in 1929 to 8,208,276 pounds this year. Output of maple syrup increased slightly to 2,185,379 gallons as compared with 2,174,084 gallons in 1929. The average price per pound and per gallon was slightly lower than a year ago.

The following tables show a five year comparison of production in Canada of both maple syrup and maple sugar.

Maple Sugar

	Quantity lb.	Aver. price per lb. cents	Value $
1926	7,137,308	19	1,320,837
1927	9,831,697	14	1,365,045
1928	13,798,109	16	2,269,686
1929	11,698,925	18	2,162,839
1930	8,208,276	17	1,381,513

Maple Syrup

	Quantity gallons	Aver. price per gal. $	Value $
1926	1,746,570	2.05	3,575,538
1927	2,154,705	1.66	3,569,766
1928	1,686,583	1.97	3,314,902
1929	2,174,084	1.82	3,955,817
1930	2,185,379	1.77	3,869,107

Business Little Affected by Election

	Canada	United States
Commodity Prices:	Consumers goods off 1.5 points in June to 89.8.	Copper at new low of 11.5 cents per pound.
Iron and Steel:	Motor plants at low ebb prior to fall pick-up.	Production slumps to 56 p.c., July will be slack month.
Foreign Trade:	Bed rock prices fail to raise demand for Canadian wheat.	Keen interest in Br. bankers manifest seen in U.S.A.
Employment:	Temporary immigration cut-off approved by nation's leaders.	Press ridicules official statement that only 2 p.c. of total pop. unemployed.
Car Loadings:	Miscellaneous loadings continue to lag especially in East.	Current loadings off nearly 15 p.c. from 1929.
Stock Market:	Little at present to encourage sustained activity.	Dull summer with possible recovery in fall seems likely.
Credit:	New C.P.R. bonds disclose disparity in interest rates.	Rates sink lower but have little effect on business.
Trend:	Coming election not seen as of vital importance to business.	Business slips still lower in midsummer lull. Annalist price index moves lower.

Influx of U.S. Tourists Indicates Banner Year; Will Cycle Theory Hold?

Big Cities Report Increase in Tourist Traffic Already Although Per Capita Expenditures Will Be Lower —Recession Has Now Lasted a Year

A Weekly Review of Business Conducted by The Financial Post

The blue ruin politicians have apparently carefully avoided the tourist bureaus in their survey of Canadian business conditions. A check-up by The Financial Post reveals well-founded optimism regarding the 1930 tourist trade which is now the third most important business in Canada from a point of view of annual revenue. There are four permanently organized tourist bureaus in Canada, operating in the cities of Toronto, Winnipeg, Montreal and Vancouver. All of them are reported as very well pleased with the annual influx of tourists which really got underway a few weeks ago with the July 4 national holiday across the line. In addition to these four bureaus organized specifically to handle the tourist trade, there are of course chambers of commerce and various local boards in almost every important municipality.

Take for instance the Toronto Convention and Tourist Bureau. The manager of this organization (which has been functioning since 1926) states that his figures showed a 50 per cent increase in tourist automobile traffic over the U.S.A. July 4 holiday of 1929, and that in spite of the fact that the real movement is only just getting underway, a record influx to the city is apparently due for 1930.

Record Convention Year

Another promising indication as far as Toronto is concerned, is the number of conventions which are booked for that city this year. To date, no less than 254 conventions are billed to meet at Toronto this year as compared with 231 in 1929, 181 in 1928 and 146 in 1927. Those who attend these 1930 conventions will spend no less than $15,392,000 in Toronto, it is estimated as compared with $14,000,000 last year. In the last five years, it is estimated that conventions have spent over $55,000,000 in Toronto.

Here then is one definitely constructive factor which within the next two or three months should prove a very definite stimulus to trade, particularly in the larger cities and in areas close to summer resorts and so forth. Of course, it is very unlikely that the 1930 tourist, even if he exceeds his 1929 predecessor in number, will prove as effective a spender as his more affluent brother of 1929.

A leading Canadian hotelman discussing this matter with The Financial Post a short time ago stated that while the number of visitors to the hotels with which he was connected was about the same as last year, the gross receipts were considerably lower and what he termed "luxury" business had taken a decided slump. This he indicated by stating that while business in the main dining-room of one of his hotels had fallen off 75 per cent, business in the cheaper grill rooms had increased over 50 per cent. He had plenty of visitors but they were spending considerably less money.

Comparisons Will Improve

Another thing which would give a decidedly better flavor to the business situation is the fact that from now on we will be comparing current business statistics with figures compiled in a period of recession such as we are now experiencing, rather than with statistics made in a period of prosperity. That is to say, the current period of recession really started in May, 1929, according to business indices, and therefore up until the present time, current indices have had to stand side by side with figures chalked up in the very peak of our 1928-29 prosperity curve. Subsequent figures therefore should look much happier when compared to the corresponding month of last year.

No one expects of course that the favorable prospect offered by such comparison will actually help us to sell automobiles, or start the commodity price curve upwards, but nevertheless it should prove a stimulus to general business sentiment if we can show a few plus signs for a change, and very often, if fundamentals are sound, it is little matters such as these that turn the scale in favor of an upturn in business.

This brings to mind the fact that we have now virtually entered the twelfth or thirteenth month of a declining business cycle, and if the past is any criterion, periods of depression have as a rule shown definite signs of clarity after a period of 15 months. If history repeats itself, and business follows its normal cycle, we should be able to see definite signs of recovery by September. At least if there is no recovery in sight by that time the bottom should have been very generously plumbed. This sounds promising but in Canada business knows all too well the very concrete signs such as the wheat crop which may decide our business fate either before or considerably after that period.

Newsprint Moves Lower

Only a few business statistics have been published during the week that seem to have any material bearing on the business situation. Newsprint statistics as prepared by the News Print Service Bureau, show that Canadian production in June was 213,634 tons as compared with 225,055 tons a year ago. A year ago our mills were operating at 86.7 per cent of capacity; this year they are operating at only 73 per cent. Comparing June output with production in the preceding month, a decline from 237,681 tons is shown and the operating ratio shows a drop of 75.2 per cent.

Cumulative figures for the first six months of the year show that Canadian mills have produced 27,400 tons less than in the same period of 1929, —a decline of two per cent. The 1930 operating ratio stands at 72.2 per cent as compared with 84 per cent for the first six months of last year.

Another interesting statement is the June figures of wheat and wheat flour exports. Total exports were 21,680,000 bushels as compared with 29,800,000 bu. in June, 1929 and 23,907,000, which is the five-year average. Furthermore June was the best month so far this year and was the third best month in the crop year now drawing to a close. In other words, about the very best we have been able to do so far this year in regard to wheat exports, is to average 5,500,000 bushels a year which is substantially less than the five-year average,—most of the time we have been far, far below this.

Total exports for the 11 months of the crop year now stand at 163,434,000 bushels representing 42 per cent of the exports during the same period in 1928-29 and 56 per cent of exports in the same 11 months of the five-year period 1924-25 to 1928-29. Comparative figures for the various months of the year are as follows:

Exports of Wheat and Wheat Flour

	1929-30 Bush.	1928-29 Bush.	5-year average Bush.
Aug.	13,050,873	29,218,078	16,950,816
Sept.	9,625,524	30,926,764	18,969,623
Oct.	23,215,028	48,956,623	34,654,365
Nov.	24,866,067	80,633,055	51,915,569
Dec.	18,683,198	53,242,306	49,297,691
Jan.	7,257,050	25,031,828	17,239,133
Feb.	8,895,468	19,710,217	16,417,988
March	14,655,609	27,564,940	20,726,568
April	5,459,684	10,553,753	12,089,768
May	16,046,226	31,153,225	27,406,483
June	21,679,434	29,794,213	23,907,830
July	....	20,779,184	20,568,614
Totals	*163,434,159	407,564,186	310,144,451

*Eleven months only.

Binder Twine Plants Show Higher Output

The output of Canadian cordage, rope and twine factories in 1929 was valued at $11,798,165 as compared with $10,839,961 in 1928, according to a report issued by the Dominion Bureau of Statistics. The capital invested in this industry was $13,066,000, an increase of $892,874 over 1928. Materials cost $7,624,155 during the year, leaving a product with a net value of $3,999,272.

The chief product of these factories, of which there are now 13 operating in Canada, was binder twine, divided almost equally between two groups, namely, "Chiefly Sisal" binder twine and "Other Binder Twines." This latter group was exclusive of twines which were either all or chiefly sisal and twines which were all or chiefly manila. Practically all the twine is produced in Ontario factories. Imports of binder twine during the year showed a decline from $2,915,696 to $1,845,305, while exports increased somewhat to $1,688,316 as compared with $1,188,376 in 1928.

Commercial Failures during May amounted to 166 with liabilities of $2,600,755. This compares with 185 firms in May, 1930, having failed with liabilities of $2,294,769. In all the economic areas of the east, the number of failures showed a decline as compared with last year, but in the Prairie provinces and British Columbia, there was an increase.

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Business Briefs

Wholesale Prices fell nearly two points in Canada during June, according to the official index number of the Dominion Bureau of Statistics. Out of 502 quotations, 22 were higher, 126 were lower and 354 remained unchanged. Every main group showed a decline as compared with May figures, the largest drop being recorded in the animals and their products group, which slumped nearly 4.5 points to 98.9.

Automobile Financing during May showed a seasonal rise of 9.6 per cent as compared with April figures, but in comparison with May, 1929, a drop of 22 per cent. The number of cars financed during May, 1930, was 19,215, and the amount of the financing, $12,006,219. The proportion of financing as between new and used cars shows little change as between 1929 and 1930, the proportion of new cars financed to the total being about 51 per cent in each case.

Immigration of Canadians into the United States amounted to 4,216 during May as compared with 5,197 in May, 1929, and 4,857 in April, 1930. Total immigration for the 10 months period ending May, 1930, amounts to 60,110 as compared with 58,722 for the same period in 1929. During May, 320 Canadians returned to Canada from the United States, according to the records of the U. S. Department of Labor. This compares with 343 in May, 1929, and 370 in April, 1930.

Boot and Shoe Production in May amounted to 1,524,938 pairs, according to the returns of 160 out of a total of 173 factories in operation during the month. This compares with 1,574,405 pairs produced in April, and 1,688,350 pairs in May, 1929, and shows a decline of about seven per cent from the output of a year ago. Cumulative figures to date show a total production of 7,374,139 pairs for the first five months of the year, a decline of about seven per cent from the number produced in the first five months of last year.

Carloadings took a further slump for the week ending July 5, total loadings in that week being 8,609 cars or 13.6 per cent below the similar figure for 1929. The heaviest loss as compared with the same week of 1929, was in miscellaneous loadings which were responsible for over 2,000 cars or 23 per cent of the total decline. Other declines of importance were noted in wheat, coal and lumber.

Sugar Statistics for the week ended June 14, 1030, show total manufactures at 86,595,368 lbs. as compared with 78,8797,648 lbs. manufactured in the same period in 1929. Domestic shipments were also higher by about 4,000,000 lbs. Exports show some improvement at 1,846,308 lbs. as compared with 1,485,900 lbs. in the same period in 1929. Doubtless reflecting the phenomenally low price of raw sugar, imports of that commodity for May, 1930, amounted to 98,646,000 lbs., as compared to imports of only 80,000,900 lbs. in May, 1929.

Executives Must Watch Key Business Indicators

Royal Bank Official Expresses Opinion as to What Factors Have Most Bearing on Situation

"I think it well worth the while of anyone in business to keep a careful eye on the developments of the next few months," said Graham Towers, chief inspector of The Royal Bank of Canada, addressing a meeting of the Export Club, in Hamilton, last month. "If we see that commodity prices are recovering somewhat, particularly those important basic commodities which are produced in what I might call the non-manufacturing sections of the world, that would be a good sign. If we see the Federal Reserve system of the United States strengthening the cash position of the banks through buying additional government securities, that will be another very satisfactory indication. Strength and activity in the bond market would be a third favorable sign.

"I am by no means a dyed-in-the-wool pessimist on the subject of business recovery. Ten, 15 or 20 years from now the difficulties anticipated by prominent economists in maintaining stability in commodity prices may be realized, unless a greater degree of international co-operation is achieved. That is a problem which will have to be solved in due course. At the present time, however, the situation is such that I am convinced the decline in prices can be arrested and a recovery initiated without any excessive difficulty, provided the financial authorities of the United States take the necessary action, with the co-operation of England and France. I base my optimism on the belief that these authorities must have a clear view of the troubles which the business world is experiencing and must surely have in mind the remedies which the case requires.

No Real Surplus

"My impression is that at the present moment the banks of the United States as a whole, do not find themselves with a good surplus of funds seeking employment, and to that extent the low rates which we so often see quoted are illusory. I think the situation in this respect is somewhat better than it was a few months ago and would be adjusted satisfactorily in time, but time is something which should be rendered unnecessary in the interests of checking the present business depression.

"I would like to see the Federal Reserve banks of the United States purchase an additional two or three hundred million dollars worth of Government securities in the open bond market, thereby injecting into the commercial banks of the United States two or three hundred million dollars cash. This operation would have the effect of increasing the banks' reserves by the amount in question. As their loaning powers are, at least, ten times the amount of their reserves, they would thereby be enabled to lend two or three billion additional dollars, should they desire to do so, and in the effort to get their funds on an earning basis, they would so desire.

"Such a step would also improve the situation in the bond market which, after an up-swing some months ago, has latterly not been showing the improvement which is necessary. More foreign financing has been going on in the United States market, but bond prices are not high enough, nor yields low enough, to really stimulate the amount of United States loaning abroad on a sufficiently large scale.

"Sir Josiah Stamp, the well-known British industrialist and economist was the guest at dinner recently of the Stable Money Association in New York In his speech at the dinner, he expressed the view that the shift in monetary values arising from declining commodity prices was reponsible for the business situation today. He said in part:—

" 'A vital change of this kind, unprecedented in its magnitude, is now affecting not only business but political relationships throughout the world. Many evils which are being attributed to some immediate cause, such as overproduction in a particular commodity market, are actually due to this underlying and general cause, which has substantially increased the indebtedness of various countries, tied to their creditors on account of war debts and reparations, and to that extent is having an important influence on the balance of trade and is greatly aggravating the adverse effects of high tariffs.'

"To attain stability in the unit of purchasing power, Sir Josiah appealed for an enlightened and uniform practice in different countries in providing credit, and in an intelligent international handling of the existing gold reserves. He said that stability could be maintained by a better use of existing gold and scientific measures for preventing or off-setting artificial deflation.

"At the dinner a message was read from Sir Herbert Holt, who expressed himself in these terms:—

" 'The steady downward trend of commodity prices during recent months has created an extremely serious business situation. The correction of this situation is primarily a monetary problem which in my judgment calls for the attention of the world's best intelligence and co-operation of the central banking authorities of all the principal countries. That reasonable stability of prices can be maintained is not open to question and it is unthinkable that with our present understanding of the problem the purchasing power of money should remain a matter of accident. No one has shown a clearer understanding of the problem than Sir Josiah Stamp.' "

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1930	1929	Cumulative for Year 1930	1929
C.P.R. Gross earn. (July 7)	$ 3,373,000	$ 4,051,000	$ 84,782,000	$ 103,463,000
C.N.R. Gross earn. (July 7)	$ 4,097,389	$ 5,100,731	$ 112,924,184	$ 135,320,139
Car Loadings (July 5)	55,015	63,624	1,583,728	1,770,184
Stock index (July 10)	749.1	1032.1	......	......
Production—		Monthly		
Pig Iron, tons (May)	80,505	81,464	385,105	428,684
Steel, tons (May)	91,692	126,372	583,672	619,337
Newsprint, tons (June)	213,634	225,055	1,283,922	1,311,822
Automobiles (May)	24,672	31,559	95,595	166,869
Boots and Shoes, pr. (May)	1,524,938	1,688,350	7,374,139	7,969,638
Flour, bbls. (May)	1,393,982	1,748,574	6,047,304	8,283,505
Mineral Production—				
Gold, oz. (April)	169,166	153,389	632,487	605,618
Silver, oz. (April)	2,568,017	1,326,251	7,933,672	5,581,369
Nickel, lb. (April)	10,190,755	9,473,039	36,989,935	36,360,452
Copper, lb. (April)	26,599,188	18,328,736	103,956,820	75,474,431
Lead, lb. (April)	29,360,473	27,108,985	116,687,295	96,266,602
Zinc, lb. (April)	20,180,602	17,746,976	80,968,266	68,854,107
Coal, tons (April)	907,451	1,394,330	4,852,658	6,017,058
Natural Gas, M. cu. ft. (Apr.)	2,433,026	2,529,957	12,516,885	11,950,937
Petroleum, bbls. (April)	102,335	88,542	412,142	261,132
Automobile Financing—				
New Cars (May)	$ 4,777,245	$ 6,230,417	$ 13,897,846	$ 18,999,901
Used Cars (May)	$ 4,537,871	$ 5,775,802	$ 14,226,840	$ 15,415,675
Construction—				
Building Permits (May)	$ 19,621,802	$ 24,185,728	$ 65,267,996	$ 96,792,675
Contracts (June)	$ 54,728,200	$ 72,419,800	$ 240,626,000	$ 278,121,700
Labor—				
Employment Index (June)	116.5	122.2	......	......
Trade—				
Imports (May)	$ 101,544,817	$ 125,615,364	$ 451,556,720	$ 552,461,745
Exports (May)	$ 77,260,557	$ 107,472,827	$ 357,797,157	$ 465,146,898
Imports of Key Products—				
Rubber, lbs. (May)	5,809,000	6,579,299	26,829,383	39,742,351
Cotton, lbs. (May)	7,056,000	11,219,000	40,775,423	71,664,967
Sugar (May)	$ 2,569,169	$ 2,090,585	$ 6,174,499	$ 7,152,886
Petroleum, crude, gal. (May)	99,210,000	51,350,000	381,543,925	303,321,805
Coal, tons (May)	1,373,573	1,567,834	6,739,905	6,714,631
Exports of Key Products—				
Newsprint, cwt. (Apr.)	3,196,043	....	14,960,616	....
Automobiles, No. (May)	3,024	9,561	19,930	51,528
Wheat, bush. (May)	13,466,884	27,073,295	40,214,642	91,645,395
Wheat, flour bbls. (Apr.)	451,395	720,050	2,115,567	4,064,142
Electric Power—Output—				
M. Kilowatt hours (May)	1,535,445	1,456,687	7,478,602	7,190,650
Population—				
Emigration (May)	4,216	5,197	......	......
Immigration (March)	14,576	14,811	21,905	23,609
Finance—				
Failures, No. (May)	166	185	1,027	1,005
Failures, Liabilities (May)	$ 2,600,755	$ 2,294,769	$ 24,002,531	$ 18,069,077
Bank Debit (May)	$3,427,000,000	$4,127,700,000	$15,627,560,088	$19,255,786,222
Bond Sales (June)	$ 72,513,683	$ 115,388,617	$ 371,152,019	$ 344,154,281
Insurance Sales (May)	$ 50,085,000	$ 51,805,000	$ 245,407,000	$ 252,562,000
Wholesale Prices (1913—100)—				
General Index (June)	88.0	92.6	......	......
Iron (May)	91.6	94.4	......	......
Cottons, raw	93.9	111.6	......	......
Grains	76.0	82.5	......	......
Live stock	130.0	138.3	......	......

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Pine Falls, Manitoba
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Wayagamack Pulp and Paper Co. Ltd.,
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Canadian Pulp and Paper Industry

Further Consolidations In Newsprint Industry Big Factor in Outlook

Trend to Mergers is Still Prominent Feature

STOCKS HOLD HOPE

Belief Growing That Paper Securities at Bottom and That Upturn Likely

From Our Own Correspondent

MONTREAL.—Two factors are of paramount interest to followers of newsprint stocks at present, namely, possibility of further mergers among the manufacturers and whether or not the time is ripe to accumulate stocks for the long pull possibilities.

The first opens up a field of interesting possibilities. Over the past twenty-four months several consolidations have taken place. With prospects for a price increase in newsprint growing slimmer and slimmer, interests back of the industry are hard put to effect greater economies in production, so that the net return will be more commensurate with the capital invested.

On the whole, operations of Canadian mills have been a little better this year, but it must be borne in mind that 1929 was a most disappointing year in the way of financial returns. Numerous economies have been put into effect since the beginning of the year, which has helped considerably to reduce costs. In some quarters it is said that this saving amounts to $5 a ton, but whether or not it is as high as that, it is understood that savings have been effected all along the line.

Limit to Economies

A fair proportion of the lower newsprint costs has arisen through the manufacturers using pulpwood cut close to the mills. This is important, for as time goes on pulpwood costs will mount higher. On the other hand, there is no assurance that the manufacturer will get a higher price for his product at the beginning of next year. Accordingly efforts are bent on paring down costs in the different departments. There is a limit in the savings that can be effected in this direction and the next move in the programme of economy comes through consolidations.

In the last twelve months, Anglo-Canadian, Port Alfred, Wayagamack, Brompton and Lake St. John have passed out of the picture. In the next twelve months more companies will merge if present signs are to be relied upon.

Fraser of Interest

At present interest centres around Fraser Companies, Limited. Though not a newsprint producer, this company would likely prove worth while to one or more of the newsprint manufacturers. Fraser's position is considerably weakened and the outlook for the future welfare of the company is certainly clouded. In the first instance, the company undertook an extensive programme of expansion. This resulted in over-expansion and seriously weakened its financial position.

On top of this, the company is reported to having trouble in getting rid of its lumber output. The recent enactment of the United States tariff may affect the company's lumber business to no small extent. Sales of lumber at less than cost price are reported, but unconfirmed. The fine paper market in Canada has slumped off considerably in the past few months. The contract with the Sears, Roebuck and Company, to supply that company's catalogue paper requirements for 10 years, is reported to be giving concern. This contract calls for paper of a certain quality and strength combined with light weight.

Finances Are Weak

On top of these set backs is a weak financial position. Last year a deficit of $711,097 was chalked up and the dividend on the common stock was passed in January last. Last year's deficit was equivalent to $1.76 a share, as compared with a profit of $1.04 a share in 1928 and $1.61 a share in 1927.

Large capital expenditures made last year resulted in depleting cash reserves, current assets standing at $14,524,000, as compared with current liabilities of $10,299,000 at the end of 1929. Bank loans in particular showed an unhealthy expansion, rising from $4,396,000 in 1928 to $7,540,000 at the close of 1929.

Both Canada Power and International are reported to be interested in Fraser. Operations of the company would fit in with International's activities in New Brunswick, while the fine paper would round out Canada Power's products. Unless Fraser's position shows an improvement before long, it would not be surprising to see a change in control.

Other Companies Mentioned

Merger rumors are also circulating around involving Abitibi Power and Paper and the newly formed St. Lawrence Corporation. It was reported some time ago that Abitibi would not be adverse to selling out at a good price and that both International and Canada Power were nibbling at the offer. So far nothing has come of the matter, but, here again, it would not be surprising if a deal was arranged with one or other of the companies.

A tie-up between St. Lawrence and Canada Power is the latest rumor to be added to the list. If Canada Power continues its policy of gobbling up everything in sight, acquisition of St. Lawrence would not be too far-fetched. St. Lawrence has plenty of timber and good mills. Operating costs are low. It is doubtful if a share exchange offer would interest St. Lawrence.

Standard Securities Agree

In last week's issue of The Financial Post the point was raised that newsprint stocks as a group had about reached the bottom and that from now on some improvement is to be expected. This view is confirmed by Standard Rate and Securities Service, which deals exhaustively with the position of the industry and outlook for the individual companies in a current supplement.

Standard Trade comments upon the better feeling existing among manufacturers. Economies are noted, together with the likelihood of an improvement in earnings this year. Little hope is held out for a price increase in the months ahead, but, on the other hand, there is little possibility of price recession. In summing up, the Service says: "All facts considered, we are of the opinion that the worst is behind the newsprint situation; that profits this year will show a fair gain over the disappointing results of 1929 and that the improvement will gain momentum in 1931, with full restoration to satisfactory earnings for the leading producers in prospect no later than two years hence."

In dealing with individual securities, Standard Trade and Securities classified Abitibi common as being in an indeterminate position. While a low cost producer, the stock is regarded as having some merit as a long pull commitment on basis of company's power projects.

The weakened position of Fraser Companies is commented upon, setbacks in different departments, and the downward trend of earnings. Outlook is regarded as indefinite and pending definite improvement in earnings prospects, stock is regarded as unattractive.

International Paper securities are looked upon as a three year old. It is pointed out, that while continued benefits are being reported from more efficient mill operations, generally unfavorable conditions in the paper industry are holding down earnings, and only moderate improvement can be expected for the current year.

Price Bros. and Company is regarded as having the strongest position in the group. Tremendous timber reserves, extensive power resources and growing diversification of products are regarded as long term factors of favorable significance. Purely for holding over a period of several years, stock is regarded favorably.

MacLaren Paper Sales Arranged

From Our Own Correspondent

MONTREAL.—It is understood that an arrangement has been entered into between the James MacLaren Company and St. Lawrence Corporation, for the marketing of the newsprint production from the former's new mill at Buckingham, which is expected to be opened some time this year.

The Buckingham mill will have a rated capacity of 250 tons of newsprint daily. It was expected that the plant would be on an operating basis some time in August, but it is now understood that the opening of the mill may be deferred until later on. The bringing in of additional production of newsprint at this time would not be in the best interests of the industry, and it may be well on toward the end of this year before the Buckingham mill is on a regular operating schedule.

Nova Scotia Pulpwood Exports Continue Heavy

From Our Own Correspondent

MONTREAL.—Heavy shipments of pulpwood are going forward from Nova Scotia to the United States. Although it was stated in the legislature some time ago that pulpwood exports this season were not heavy, shipments up to the present indicate that over 200,000 cords have been dispatched to United States plants for manufacture into pulp and paper.

This figure represents a slight increase over last year, or a record shipment for all time.

From Cumberland and Colchester counties, shipments are sent to Maine for the Lincoln Pulpwood Company. From points along the Atlantic shore, Bridgewater, LaHave, and Sheet Harbor, big shipments are being made by the Hollingsworth-Whitney interests, while from Cape Breton, The Oxford Paper Company is probably the greatest exporter of pulpwood. The Atlantic Pulpwood Company, which was held up for some weeks due to an unusually dry spell, has started shipping from its boom at Indian River, N.S.

PAPER OUTPUT SEASONALLY OFF IN PAST MONTH

June Returns Lower, But Situation is Encouraging

From Our Own Correspondent

MONTREAL.—A seasonal decline in the production of newsprint during June is noted in the returns of Canadian and American mills, as reported to the News Print Service Bureau. On the whole, however, manufacturing operations were maintained at a fairly high level, and the cumulative record of production for the first half of 1930, in comparison with that for the same period of 1929, shows that consumption of newsprint has been well maintained despite the general recession in business activity throughout both countries.

During the past month Canadian mills operating at a rated capacity of 11,700 tons daily, produced 213,634 tons, which was equivalent to an actual tonnage of 10,143 per operating day, or 73 per cent of rating. In the preceding month, operating on the same rating, Canadian mills produced 237,681 tons, or the equivalent of 75.2 per cent of capacity. Comparison with June a year ago is not as favorable, however, as in that month the Canadian mills produced 225,055 tons, or 86.7 per cent of a rating of 10,388 tons per day.

Shipments Are Lower

It was to be expected that shipments from Canadian mills would show a slight decline last month. The News Print Service Bureau record shipments of 212,670 tons, or 72.7 per cent of rating. This compares with 239,034 tons, or 75.7 per cent of rating in May, 1930, and with 223,920 tons, or 86.2 per cent of rating in June, 1929.

American mills continue to maintain operations at a higher percentage of rating than do Canadian plants. During June, United States mills produced 108,398 tons, or 79.9 per cent of the daily rating of 5,430 tons. This compares with a production of 118,093 tons in May, or 80.4 per cent of capacity, and with 113,407 tons, or 80.8 per cent of rating in June a year ago.

The decline in shipments from American mills is proportionate with that recorded by the Canadian plants. Last month United States mills shipped 106,883 tons, as against 114,702 tons in the preceding month, and with 114,558 tons in June last year. The percentage of shipments in relation to ratings, however, shows an improvement in June, as compared with the previous month, the percentages being 78.7 and 78.1. In June last year, the percentage of rating of shipments was 81.7.

Half Year Figures Good

For the first six months of 1929 the production of newsprint by Canadian mills was the second highest ever recorded by the industry, amounting to 1,283,922 tons. This compares with the record figure of 1,311,322 tons in the first half of 1929. During this period the rating of Canadian mills increased from 10,143 to 11,552 tons daily. Actual tons of newsprint produced per operating day also increased, having advanced from 9,204 to 10,009 tons. The ratio of production to rating, however, shows a decline of 7.8 per cent, to 72.2 per cent.

Shipments during the first six months of 1922 were well maintained, having amounted to 1,262,894 tons, or 71.0 per cent of rating. This compares with 1,305,516 tons, or 83.6 per cent of rating, in the first half of 1929.

The record of American mills in respect to production and shipment during the first six months of 1930, in comparison with the same period in 1929, is somewhat better than that recorded by Canadian mills. Production in the half year just ended totals 686,238 tons, down from 697,709 tons a year ago. The ratio of operations, in relation to a somewhat smaller rating, increased from 80.3 to 81.5 per cent.

Shipments from American mills between January and June, 1930, totalled 674,965 tons, or 80.2 per cent of rating. This compares with 709,031 tons, or 81.6 per cent of rating, in the same month of 1929.

Federal Trade Paper Report Raises Issues

From Our Own Correspondent

MONTREAL.—Though the Federal Trade Commission's report on the newsprint industry will not be available in complete form for several weeks, extracts from it are of more than passing interest. The commission draws attention to the so-called "combine" operations of the Canadian manufacturers and recommend the further development of Alaskan timber resources.

Following are some of the highlights of the report:

United States newspapers consume practically all of the newsprint production of the United States and from eighty to ninety per cent of the production of Canada.

* * *

The events connected with the making of the market price of newsprint during the last half of 1928 and the year 1929, leaves no doubt that the International Paper Company sets the standard.

* * *

Of the thirty-four domestic companies with newsprint paper mills located in the United States, three also own or control mills located in the Dominion of Canada. Some of the domestic mills have been eliminated from active competition with other manufacturers by entering into long term contracts to sell their entire annual production.

* * *

The Newsprint Institute of Canada, organized in 1929 to control the output and price of newsprint paper, controls about seventy per cent of the total production of Canada.

* * *

United States newspapers consume practically all of their own country's newsprint output and from eighty to ninety per cent of Canada's. This situation arouses a common interest in the combined production of the two countries.

* * *

Discussing the Hearst contract in its relation to the 1930 prices, the following question was put to Mr. Graustein (president of International) and his answer is significant:

Q. Does your contract with Hearst prevent you from making this advance without Hearst's agreement?

A. We cannot increase the price to Hearst without Hearst's consent.

* * *

The margin of profit on newsprint is not unreasonable, comparing the price paid by the publisher purchasing on contract in carload lots with the prices charged by jobbers for paper in rolls and sheets.

* * *

Forty-two paper mills in the United States produce newsprint paper while there are thirty-eight such mills in Canada. In 1929 the United States produced 1,392,276 tons; Canada, 2,728,827 tons.

* * *

It may be noted that if Alaskan newsprint can be delivered to New Orleans through the Panama Canal at $58 a ton, it can be sold in Cincinnati and even in Chicago at $64.60 a ton. The current delivered price in these two cities is $62. The increase proposed by the governments of the provinces of Quebec and Ontario would establish a price of $67 a ton, giving Alaskan paper an advantage.

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Consulting Forestry
JAMES W. SEWALL
Old Town, Maine
PHILLIPS & BENNER
Ruttan Block, Port Arthur, Ontario

PULP PRODUCTION CONTINUES BELOW LAST YEAR'S MARK

May Gains Over April But Still Under 1929 Records

From Our Own Correspondent

MONTREAL.—Production of pulp in Canada and the United States showed a seasonal increase during May, as compared with the preceding month. In the more significant comparison with May, 1929, a decrease is recorded.

Groundwood pulp manufactured in this country during May last totalled 148,565 tons, up from 112,612 tons in April last, but down from the 180,769 tons reported for May last year. For the five months ending May, 1930, pulpwood totalled 664,556 tons, as against 794,267 tons in the corresponding period of the preceding year.

Stocks of groundwood pulp on hand continue on a favorable basis. While there was a slight increase in stock from the April figure, the total of 13,029 tons reported at the end of May was roughly 2,500 tons under that of a year ago.

Sulphite Output Lower

Sulphite pulp production in Canada in May totalled 49,298 tons, a decline of approximately 17,000 tons from the figure recorded in the same month of 1929. Furthermore, there was a decrease from that reported in April, 1929, amounting to about 12,000 tons. Cumulative production for the first five months this year amounted to 271,063 tons, or about 28,000 tons less than in the corresponding period of 1929.

Largely owing to the smaller production, stocks of sulphite pulp on hand declined from 12,248 tons in April, to 11,077 tons in May. Compared with last year, stocks on hand at the end of May, 1930, are nearly double, the increase amounting to 4,500 tons.

American pulp mills have recorded relatively a better production this year than was the case in 1929. Groundwod output during May totalled 105,581 tons and the cumulative production for the first five months 496,631 tons. In May, 1929, American mills produced 108,144 tons of groundwood and for the five months' period 488,800 tons.

Sulphite production did not record an improvement, but the output is maintained at a relatively high standard. During May the American mills produced 36,171 tons of sulphite, as compared with 40,101 tons in the same month a year ago. For the five months ending May, output totalled 186,050 tons, or about 8,000 tons less than in the same period of 1929.

Stocks of groundwood and sulphite pulp in the American mills are, in the aggregate, less than they were a year ago at this time. Groundwood pulp on hand at the end of May totalled 95,937 tons, down from 116,326 tons at the same date a year ago.

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Newsprint is Big Item In Large Daily's Costs

Federal Trade Commission Report Shows That the Larger the Circulation the Greater the Percentage of Publishing Costs Credited to Newsprint

From Our Own Correspondent

MONTREAL.—One of the arguments used by American publishers in combatting an increased price for newsprint, was the present high cost of production, combined with the lowering of revenues through the falling off in advertising. In its recent inquiry into the newsprint situation, the Federal Trade Commission compiled some interesting data on publishing costs, especially in relation to the amount expended on newsprint.

In the following analysis, divided into groups dependent upon circulation, it will be seen that newsprint costs are an important factor in the costs sheets of the large metropolitan daily papers, while they are proportionately less important to the smaller papers. In a number of instances the metropolitan dailies, such as the New York Times, Chicago News, etc., have their own newsprint supply, so that they are not as much concerned as their contemporaries over an advance in price.

Survey of the tabular matter shows that in Group 1, newsprint costs are equivalent to 37 per cent of the total cost of the published paper. Paper costs of the larger publications are higher in proportion to their total publishing costs than are those of the smaller papers, and the percentages of newsprint costs in relation to entire costs show a relatively uniform decrease as circulation decreases. This probably is due to the fact that costs other than newsprint costs do not decrease in proportion to newsprint cost decreases. It should be noted, however, that the Commission made no attempt to verify the figures reported by the publishers nor inquiry as to the methods used to determine the costs:

NEWSPRINT COST COMPARED WITH TOTAL COST OF PUBLISHING PAPER

Groups with circulation of	No. of papers	Total daily circulation	Pounds of newsprint per 1,000 circ.	Annual consumption (tons)	Newsprint cost	Total cost publishing paper	Av. %
Group I— 400,000 and over ..	7	4,638,690	678	573,626	$38,282,793	$103,911,953	37
Group II— 200,000 to 400,000	7	1,774,475	724	234,382	13,821,303	40,476,043	34
Group III— 150,000 to 200,000	8	1,415,149	783	202,262	11,328,300	35,588,612	32
Group IV— 100,000 to 150,000	15	1,736,824	594	183,237	10,492,589	37,271,452	28
Group V— 50,000 to 100,000	16	1,235,610	542	122,265	7,826,199	26,815,205	29
Group VI— 25,000 to 50,000	14	508,990	342	31,760	1,871,912	9,080,068	21
Group VII— 10,000 to 25,000	13	229,447	234	9,772	605,130	3,541,309	17
Group VIII— Less than 10,000	5	29,430	274	1,450	98,901	701,284	14
Group IX— *Weekly Papers: 1,000 to 50,000	15	130,160	146	494	35,029	227,102	15
TOTALS	100	11,698,775		1,359,248	84,362,156	257,613,028	33

* Includes two small dailies which could not be segregated.

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Your Investments

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Investors' Syndicate

I am enclosing for your analysis a copy of financial statement of Investors' Syndicate, and would appreciate very much your opinion of this company and the advisability of investing in it.

Investors' Syndicate's annual statement for 1929 shows that company to have a strong financial condition. That, coupled with the fact that it has been 36 years in existence, gives reasonable assurance that it will live up to all contracts made in connection with the certificates which it sells to investors.

The point which investors have to consider most carefully is whether they will be able to make all the payments required up to maturity. If they can do so, such contracts are worth their while. If they pay for a few years and then abandon them, we do not consider them so advantageous.

Riverside Silk

Will you please advise me whether you have any information as to the operations of Riverside Silk Mills, Ltd., for the current year to date?

We have no information as yet with regard to the operations of Riverside Silk Mills during 1930. The company has continued to pay dividends and apparently is quite busy. The question is whether the overproduction in the hosiery industry and the greater competition in the manufacture of broad silk in Canada is working back yet and affecting the company. The company, itself, has shown increasing earnings up to 1927 and since then a falling off. Some who are close to the trade, but are not familiar with the situation of this particular company feel that a difficult time is still ahead. The company devotes more attention to the yarn end of the business.

In the United States both manufacturers and distributors of silk goods are currently operating at a relatively high rate of activity, but at extremely low margins of profits. Retail sales have been conducted mainly through the medium of markdowns and clearances while finishers and the garment makers have exacted equally close prices from the mills. The large movement of material into consumption has enabled the latter to reduce inventories moderately and domestic stocks of raw silk have been halved since the first of this year. Reduced imports from Japan, however, have affected all supplies in that country and total stocks are burdensome to the producers. On the other hand, the Japanese Warehouse Act has permitted the withdrawal and indefinite storage of the bulk of the raw silk stocks and to that extent has reduced the immediately available supply.

Raw silk prices are now at levels which are below the cost of production to many of the cocoon growers and some reduction in output is probable between now and the end of the year. While there is little possibility of the re-establishment of former price levels appreciation is not an impossibility within the next six months and silk markets should be watched closely.

In its broad outline so far as the raw silk situation is concerned these remarks apply equally well to Canadian companies. There is not the overproduction here that there is in the United States, but there is a potential overproduction because a great number of companies have started in to manufacture during the last few years. A return of favorable general market conditions would, however, be helpful in Canada.

Should Hold List

Until recently I have been holding Nickel, Noranda, Ford of Canada A, International Petroleum and Radio Keith Orpheum which I purchased above present levels. I have used all available cash and some borrowed money to keep my account properly margined and I feel that I must hang on in order to get my money out eventually.

Recently I sold my Nickel and Radio Keith Orpheum at $30 and $29 per share respectively. Would you advise buying either of those stocks back? Should I sell some of my Ford A stock in view of the condition of the motor industry and possible competition from Canadian Austin Co. and buy some Gypsum, Lime & Alabastine or Walkers?

You have as good a chance of recovering part or all of your money lost on the stock market by continually staying by the shares which you already hold as by shifting into others. Your sale of International Nickel at $30 in order to buy lower has already shown you some advantage. Nickel has been recovering recently instead of dropping to $20 or below as most brokers advised their clients might possibly happen. Both Nickel and Radio Keith Orpheum are well regarded stocks from the standpoint of eventual profits.

We do not think you need fear the effect of the sales of Canadian Austin Co. on the Ford. It will undoubtedly have some effect if they assume considerable volume, but the appeal will be to a different class of buyer. Gypsum, Lime and Alabastine is doing well, according to present reports, and its future prospects are excellent so long as building activity keeps up.

Walker's has a strong financial position, does a good business in Canada, but labors under the legal handicap placed upon them by present laws in the United States against use of spirituous liquors. Undoubtedly liquor is sold and imported into the United States in spite of these laws, but it imposes a risk which makes it impossible to get a full clear view of the company's future. All one can say is that it is financially and industrially in a position to take advantage of whatever opportunities do arrive.

Canadian Terminals

I would be glad if you could give me some information as to the financial standing of the Canadian Terminals, Ltd. This company controls several other companies, such as Montreal Rail & Terminals, Ltd., Montreal Debentures Corp., Canada Housing Corp., and several others.

As the Canadian Terminals Ltd. does not publish a financial statement it is difficult to tell just what position it is in. Information has been given out with regard to one of its subsidiaries, The Canadian Rail and Harbor Terminals, which has shown an improving position in recent years though decline in deficits must be replaced by growing profits before its position is beyond dispute.

Collingwood Terminals has been reported to show a good profit. No recent information is available, however, as to direct results of Ontario Bakeries, Municipal Bankers Corp., Montreal Debentures Corp., Canada Housing Corp. and Canadian Terminals Steamships Ltd. The franchise for manufacturing and distributing gas in the city of Fort William has been sold. The company also has a franchise for district heating in Winnipeg. As the company is continually issuing new securities we feel that the financial position should be made much more clearly apparent before investments can be considered safe.

Consolidated Bakeries

Will you kindly give me your opinion with regard to Consolidated Bakeries common stock as an investment?

Consolidated Bakeries has recently reduced the dividends on the common stock. The last year has been a difficult one for most bakery companies getting flour at high prices and having in some cases to reduce the price of bread as well. Most of these companies now have flour available at lower prices and may do better in the coming year. We would call this stock a speculation. Its standing as an investment cannot be decided until the experience of the next few years, at the new rate and under present conditions, can be observed. Its long-term position has been improved by the reduction of the dividend.

Canadian Canners

I hold a few shares of Canadian Canners second preferred stock for which I paid $25 per share. Could you tell me how this stock ranks as compared with the other preferred and common stock of the company?

The Canadian Canners second preferred stock is convertible into common stock share for share. It has a preference over common stock in any voluntary or involuntary liquidation up to $20 a share. It is redeemable at $20 a share on 30 days notice at any dividend date.

Now that both second preferred and common stocks are paying dividends at $1 a share there is little difference between the two except the preference in the case of a voluntary or involuntary liquidation. Such liquidation is very improbable as the company has a working capital of more than $7,000,000.

Abitibi

Will you be good enough to give me your opinion on the position and outlook for Abitibi Power and Paper Company? This is the only paper stock I hold, and I am anxious to retain it, if the company is going to work into a stronger position.

Abitibi Power and Paper Company presented a satisfactory report for 1929, in view of the unsettled conditions prevailing in the industry during that year. The position of the company has been further improved through the acquisition of Provincial Paper, and we understand that operations this year to date have been on a satisfactory basis. We do not look for any large increase in earnings this year, though if the new price schedule is adopted by publishers, the company's earnings should show a gradual increase over the next two or three years. We regard the company as being one of the soundest in the pulp and paper industry.

Windsor Hotel

What is your opinion on the preferred stock of Windsor Hotel? I am going over my list of investments just now, and would like to have an opinion on the merits of this security.

Windsor Hotel preferred stock can be regarded as a satisfactory investment. This is one of the leading hostelries in Montreal and its earning power is fairly well established. The influx of tourists in recent years has had a strong bearing upon the company's operations, while the regular traffic originating in Canada has been growing steadily.

St. Lawrence Paper

I hold a few shares of the preferred stock of St. Lawrence Paper Mills. Do you think this stock worth holding in a pretty well diversified list?

St. Lawrence Paper Mills preferred stock is a fair investment. This company's position is much the same as that of others in the newsprint industry, namely, restricted earning power due to the low price of newsprint. If the manufacturers are successful in securing a higher price next year for their products, St. Lawrence should improve its earning power. The company is well-managed and has a well-organized sales force. Operations this year, of course, have been restricted, but on the whole the company is doing well.

Canada Steamships

Since I purchased the mortgage bonds of Canada Steamship Lines, they have receded several points in value. The yield, however, is satisfactory and I am prepared to hold if the company does not receive further setbacks. What is your opinion of this bond?

Canada Steamship Lines suffered a sharp setback last year, due to the lack of movement of grain from the head of the lakes to the seaboard. Conditions this year have not shown improvement, with the result that earning power of the company has been greatly restricted. In other departments, however, the company continues to make good progress and revenue from package freight and hotels have been on a satisfactory basis.

So far the company continues to pay the dividend on its preferred stock. It is doubtful if this is being earned, but the management has not indicated that it will depart from this policy. As far as the bonds are concerned, they are amply secured, though earning power is not all that could be desired. We do not see the necessity of selling at the present time, as there is little likelihood of the interest on the bonds being passed. Meanwhile there is ample security back of the issue.

Alberta Pacific

Do you think the preferred stock of Alberta Pacific Grain is a satisfactory investment? I hold a few shares and am undecided as to whether or not to sell. Are current earnings sufficient to take care of the dividend?

Though earnings of Alberta Pacific Grain Company have likely been affected this year, due to the shortness of the 1929 crop, the preferred stock is well secured, and there is no immediate necessity of selling. The company is ably managed and has followed the conservative policy of building up large reserves to take care of depressions in the business. As a result, Alberta Pacific Grain should be able to maintain its preferred dividend payments without trouble. As a long hold stock, Alberta Pacific Grain has considerable merit, judging by the record of the company in the past.

General Steel Wares

Would appreciate your opinion on the preferred stock of General Steel Wares. There does not seem to be a very good market for this stock, and I am considering switching to another security.

Recent reports would indicate that earnings of General Steel Wares are running somewhat behind last year, which, in turn, were not altogether satisfactory. Competition in the trade is exceptionally keen. The record of mergers of this type have not been altogether satisfactory, and though results of General Steel Wares to date have only been fair, it is hardly fair to pass an opinion at this stage upon the future of the company. The organization has possibilities, but common stocks appear to be a long hold proposition.

McColl-Frontenac

Have you any recent information on the activities of McColl-Frontenac Oil Company? I hold a small block of common stock in this company and am in a position to hold for some time.

McColl-Frontenac Oil Company has greatly expanded its operations during the past two or three years and is now regarded as the third largest oil refining and distributing company in Canada. Reports this year indicate further increases in business over the record volume marked up last year. The preferred stock is reasonably well secured and earnings are more than sufficient to take care of dividend requirements.

Steel of Canada

Please be good enough to give me your opinion on the common stock of Steel Company of Canada. Is this a good security and one which can be held for investment purposes?

Common stock of Steel Company of Canada is regarded as one of the soundest securities of its type on the Canadian market. The company is well managed and its financial position one of strength. Marketwise the stock has been unsettled, owing to the lawsuit over the arrears of dividend on the common. This case should be cleared up some time this fall, when there will be a better market for the common and preferred stocks. While earnings for the current year are probably somewhat less than in 1929, the company has always been able to report its dividend earned by a substantial margin.

Gypsum, Lime

Can you tell me if Canada Gypsum and Gypsum, Lime & Alabastine, are one and the same company? Also will you be good enough to give me your opinion on the future outlook of this business?

Canada Gypsum, and Gypsum Lime and Alabastine (Canada) Limited are one and the same company. A short time ago, Canada Gypsum changed its name to Gypsum, Lime and Alabastine, in order to give it a more distinctive corporate title, one not to be confused with other companies in the same line of business.

Gypsum Lime and Alabastine has made substantial progress in the past two years. It has purchased a number of lime and gypsum properties, extended plant facilities, and greatly widened the market for its products. It has been particularly active in the export market, and sales in this branch of the business have grown rapidly. Future development of the company, naturally, depends largely upon the volume of construction undertaken in this country. While earnings may fluctuate sharply at times there is reason to believe that the company will continue to record steady expansion. Its record up to date has been favorable, and as the management is sound and energetic, further expansion should take place.

Power Corporation

Please let me have your opinion on the earnings of Power Corporation of Canada for the past fiscal year. Do you think the common stock a good medium for investment?

Power Corporation concluded its fiscal year last month and judging by the fact that the directors declared an interim dividend of $1 a share in cash, it is assumed that financial returns were up to expectations. For the first half of the year, the company reported a satisfactory income statement, while its position during the last half year is reported to have been maintained. If the management declare another five per cent stock dividend, together with an additional dividend of $1 in cash in December, the return on this stock will be well over seven per cent at current prices. As a medium of investment in public utility companies, Power Corporation is regarded favorably.

International Nickel

I am thinking of buying 50 shares of a low priced stock such as Hiram Walker, Building Products, International Nickel, Canadian Car or Massey-Harris. Which of the above mentioned stocks would you advise?

All of the companies mentioned by you have good earnings records but the safest stock for a long hold appears to be International Nickel at present prices. The prospects for appreciation when business recovers are also excellent.

The adverse legislation with respect to liquor exports has made traders wary about even so strong a company financially as Walkers. Building Products has splendid opportunities for progress as building grows in Canada. Canadian Car's record is attractive and the company strong but volume of orders from year to year is apt to show great fluctuations. Massey-Harris stock is good for the long pull and the right time to buy is when purchasing power of the farmers begins to improve. That will happen when low prices brought about by over-production causes lower world production by discouragement of high-cost farming. The need to reduce costs of farming works in favor of such companies as Massey-Harris.

Dominion Bridge

Will appreciate any information you may have on Dominion Bridge Company. Is there any possibility of the dividend being cut? I paid better than the current market price for my stock, but if the company is in a sound position I do not intend to sell.

Though business of Dominion Bridge has declined in the past few months, the decrease hardly warrants the sharp reaction recorded by the stock on the market. The financial statement for this year will likely show earnings on a satisfactory basis, and with the dividend earned. There have been rumors that the management may change the dividend, but it is understood that no cut will be made in the present rate of $3.60 a share. Prospects for future business are shaping up well. The new Montreal terminal plans of the Canadian National Railway are in progress, and a considerable tonnage of structural steel should be awarded to Dominion Bridge. In addition there are other projects under way or in mind, which will give the company a good volume of business.

Winnipeg Electric

My investments include a few shares of the preferred stock of Winnipeg Electric Company. The stock market has not been too favorable of late and I have been thinking of making a few changes in my investments. Do you think I should hold Winnipeg Electric preferred stock, or sell?

The position of Winnipeg Electric Company has been considerably improved since the approval of higher rate scheduled for the traction utilities. The electricity and gas departments of the company have been making steady progress and sales and earnings expanding. The preferred stock is well secured, with earnings sufficient to take care of the dividend requirements.

When Women Invest

A WEEKLY FEATURE

High Yield Municipals

Will you please mention a few current offerings in Canadian municipals and one or two safe public utility bonds which offer a larger return than the average? Security must be ample but not so much as Dominion, Provincial or Toronto bonds.

You would find a high degree of safety and a good return in the City of Hamilton 5 per cent bonds which yield 5 per cent for the 1937 to 1940 maturity and 4.95 per cent for the 1946 to 1949 maturity. The City of Peterborough 5 per cent bonds yield 5 per cent, and the City of Niagara Falls 5 per cent bonds yield 5.10 per cent. Regina Public School District, Saskatchewan, 5 per cent bonds yield 5.03 per cent, Saskatoon School District 5 per cent bonds yield the same, and the Town of Walkerville 5 per cent bonds yield from 5.12 to 5.20 per cent. New Toronto 5 per cent bonds yield as high as 5½ per cent.

British Columbia Power Corporation 5½ per cent first refunding and collateral trust bonds yield 5.60 per cent. All bonds of the flourishing Canadian Public Utilities have a high degree of safety and in most cases lower yields than this.

Prefers Seasoned Securities

A lady client of mine, who is a widow, has 100 shares of Dominion Foundries & Steel preferred stock and also a number of shares of the common stock which she received as a bonus. As you know, up until last fall Dominion Foundries had passed their preferred dividend for approximately eight years. Last year, however, the company's operations were much more satisfactory and they commenced to pay a dividend again with the result that the present quotations of this stock are 83 for the preferred and 12 for the common which are much higher than they have been for years.

In view of present business conditions, the question arises as to whether this recent satisfactory progress will continue and I would like to have your opinion as to whether it might not be safe policy to re-invest these moneys in seasoned preferred stocks and bonds at this time rather than risk a decline in the present figures. The preferred is cumulative, of course, and at present about 60 per cent back dividends in arrears. Is it your opinion that these dividends will ever be made up in cash? I have heard it said that a re-organization is considered and that shareholders will probably receive common stock in lieu of dividend arrears. I also understand that a first mortgage bond issue has been authorized but not yet sold.

Taking all the facts into consideration, what would be your recommendation in this case; should she retain her holdings or would she be better off to re-invest in other securities as a protection against the future?

I also have another lady client, who is a widow, who holds 100 shares Commercial Finance preferred and 28 shares of Common stock. I know very little concerning this company except that the record of companies in this type of business has not been particularly satisfactory especially for a woman's investment. It also appears to me that the dividends which have been paid on the common stock of this company might far better be devoted to building up a surplus, and the market quotations would certainly indicate that there is considerable risk in this investment.

In spite of the fact that to sell at today's figures would involve a considerable loss, which my client is not in a position to afford, might it not be better to re-invest in safer securities a proportion of these funds, taking the loss now than to continue to risk the entire investment?

I would appreciate your advice and any information you can give me in connection with the Commercial Finance Company and what your suggestions would be to a widow similarly situated. Her holding in this company represents one-eighth of her entire capital.

My ideas for the re-investment of either of the above should you consider such a move wise under the circumstances, were first mortgage public utility bonds well diversified and possibly a few shares of some preferred stock of a public utility company with an established record of earnings where there is a substantial junior equity in the form of dividend-paying common stock.

Under the circumstances outlined it would be better for your client to sell her shares of preferred and common stock of Dominion Foundries & Steel and also re-invest these moneys in seasoned preferred stocks and bonds. In the annual report to shareholders the president, C. W. Sherman, stated that the directors were of the opinion that the $720,000 preferred outstanding and $480,000 dividends in arrears might well be combined in a single issue of preferred having a value of $1,200,000. The common, they thought, should be changed to no par value share for share. The board decided to defer offering this plan to shareholders owing to the increase in preferred dividend payments necessary to the plan until their cash position was improved. It was the intention to improve this cash position with a small bond issue. It may be well for large holders to await the results of this financing and to see whether the good results of 1929 continue in the years just ahead. It would not appear to be wise for your client to do that.

Though marketability is never a strong feature of such stocks as Commercial Finance preferred and common, reports issued by the company indicate fair progress. We do not think that this stock was suitable for your client in the first place and, whatever may be the future course of Commercial Finance, it would be the conservative thing for her to put her investment at once in safe securities rather than take any risk at all in the hope of appreciation of her present capital.

Your ideas for re-investment, as explained in the last paragraph of your letter, are excellent and would exactly meet the needs of your client. Men or women who cannot afford to take a loss, should not purchase securities lower in value or less fortified by earnings than securities that would come under the type indicated by you. Speculation is for those who can afford to take as loss if they do not get the expected gain, and who know the game.

Certificates of Subscription

Will you please explain the "certificate of subscription" mentioned in an advertisement in your issue of June 26, 1930, announcing a dividend by Massey-Harris Co.? My sister own Massey-Harris Co. stock but has received no such certificates.

Certificates of subscription were issued to those Massey-Harris shareholders who, up to April 2, 1929, accepted the offer of the company to sell them one additional share for each two shares held at a price of $60 a share. These were to have been paid up entirely by Sept. 16, 1929. They were paid up, we are informed by the company, but a number of holders of the certificates of subscription did not turn them in to the company to be exchanged for actual shares. The advertisement to which you referred was telling holders of these certificates of subscription that the recent dividend declared would be paid to them as soon as they turned in their certificates and received the certificates representing ownership of stock instead.

Your sister would not have received such certificate of subscription if she had not subscribed at the time mentioned. At the time this offer was made the market valuation of Massey-Harris stock was much in excess of $60 a share. If your sister missed that opportunity, she has reason to congratulate herself as she could get the same amount of stock now at less than half the price.

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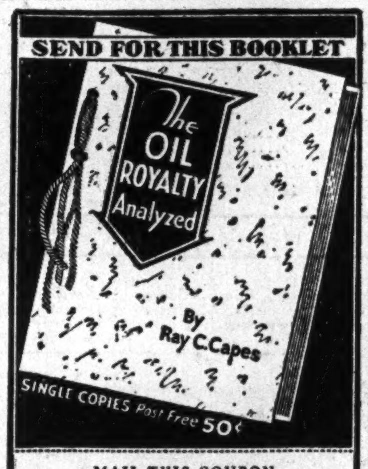

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Our current list of Diversified Recommendations discusses those factors present in world-wide business and financial conditions which have a direct influence on security investment demand and security prices. ¶ Careful reading of this article and a study of the list of income-bearing securities also included will assist investors in making investment decisions.

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WHEAT MARKET NOT STABILIZED PRICES UNEASY

Old Factors Still Control Situation, Review Shows

MARKET LOOKS WEAK

Little Chance of Recovery Seen Until Consumption Starts to Pick Up

From Our Own Correspondent

WINNIPEG.—Varying fluctuations have occurred in wheat prices as they have continued their steadily downward movement to new low levels. Concurrently there have been fluctuations in weather conditions in western Canada, some very hot weather, a good deal of hail, and some very good rains. The tendency of daily reports has been to overemphasize the effect of these weather changes, and to attribute to them effects really due to more fundamental causes.

Essentially, as The Financial Post previously pointed out, the world market, overburdened with large current supplies, is seeking a level at which a large volume of business may be done. Actual current demand for wheat for current and future use is relatively more important at the present time than minor fluctuations in prospective supplies for the coming year. When trade conditions show that wheat is moving, or is likely soon to move, into consumptive channels at a more rapid rate than has been the case in recent months, some reasonable degree of stabilization in prices may be effected. Until that is the case, the market must be regarded as an essentially weak one.

Also, because of greater effect upon the rate of buying, weather conditions in Europe are of greater actual importance in the market than are weather conditions in Canada.

More Time Required

Present low prices are the resultant of a series of different economic forces, and it is bound to be a matter of some time before a new set of forces assumes control. The carryover in Canada and in the United States is larger than last year and larger than ever before. The two countries together are likely to have a greater production this year than last. The carry-overs are more burdensome to the market than formerly, because of the long accumulation of storage and interest charges, and the psychological effect of all that has occurred in the wheat market.

Increased buying from Europe is expected as the result of smaller wheat crops in various countries, especially France and Italy. France had wheat to export last year, but may have to import up to fifty million bushels this year. Italy is likely to need twenty to thirty million bushels more, but her wheat consuming power will largely depend upon the artificial price level established by customs duties.

Government Restrains Germany

Germany, where wheat prices have been held very high, close to two dollars a bushel, would consume a great deal more wheat, instead of rye, if government restraints were relaxed. Her population has been living economically upon low-priced rye instead of high-priced wheat. If the various continental governments, with the fear of high wheat prices gone, are willing to allow more wheat to be imported, perhaps two hundred million bushels more might be taken from all countries by continental Europe than during the year just closing.

Exports to the Orient and other non-European countries are governed largely by rate price, and exchange rates. Wheat flour will only be imported in quantity when there it is cheaper than other foods, and there are facilities for buying it.

India and Australia

India after being out of the export market for a long period, is shipping wheat at the present time, and may have as much as thirty million bushels to spare for the world market. Australia has completed seeding of a greater acreage than ever before, and considers conditions favorable.

Unprofitable wheat prices, in the long run, are bound to have their effect in reducing production. Unfortunately, the winter wheat crop of the United States, just harvested, and the new Australian crop, recently sown, were put in under the stimulus of price-raising propaganda. The United States government, directly throughout the department of agriculture, and indirectly through the farm loans board, are strenuously trying to persuade United States farmers to reduce acreage in order to get on a purely domestic, instead of an export basis, and are predicting low world prices for a considerable time. But as domestic price increase is being promised as a reward for acreage reduction, it is doubtful if there will be much effect from the campaign, although actual prices received may have some effect. So acreage reduction is not yet, and cannot for a considerable time, be anything for either consumer or the market to worry about.

Effect on U.S.A.

Low prices are already having some effects in the United States, not yet sufficiently noted. Bakers, and especially the large companies, are encouraged by present prices to make long term commitments for flour. While, as a rule they like to avoid speculative purchases, they like to buy in quantity when flour prices, as at present, are low enough to ensure their working at a profit unless drastic and unexpected reductions occur in bread prices. In addition, considerable quantities of wheat are being diverted, immediately or prospectively, to the feeding of livestock. In many districts not only can wheat be profitable but more profitable than other feeds, when the wheat is available, and other grains would have to be brought in at some cost.

July prices have continued at a heavy discount under October and December prices for an unprecedentedly long period, the normal expectation being July prices, at the end of a crop year, to run higher than for delivery after the new crop is available. Deliveries through the clearing house on the July contract have not been heavy, and have been confined to one northern wheat. The ordinary delivery discounts of three cents on two northern and eight cents on three northern are much greater than actual cash spreads, partly because of low prices, which have a tendency to narrow spreads, and because of the available quantity of one northern.

Canadian Grain at Premium

Winnipeg premium over Chicago prices has recently been high, six and a half cents or more, which is probably more than actual values warrant, and tends to increase the United States percentage of export business done at the expense of Canada, both in wheat and flour.

Complete lack of export outlet for oats, barley and rye tends to keep prices for those grains very low. A big crop of barley is in prospect which will require a large increase in farm feeding operations to take care of.

Crop conditions are much spottier than usual, and extremely difficult to check. This is largely because so much of this year's precipitation has been in the form of local showers. The prospect is for a good deal more wheat than last year. Most current estimates would be close to 350 million bushels, rather under than over, with 400 million bushels representing the height of optimism as to present conditions and the hope of weather for the balance of the year.

A few rust reports are coming from North Dakota, but are not yet causing much apprehension.

May Demand Deposits Are Lower Since 1927

Canadian Call Loans Show $2,337,009 Increase But Current Loans Are Reduced by $14,570,672—Savings Deposits Decline

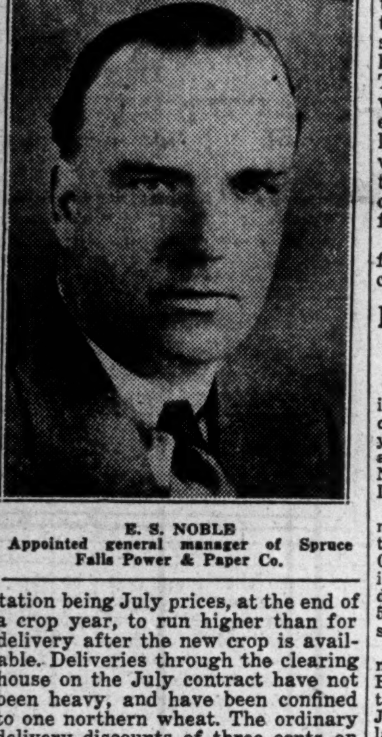
Demand deposits during May, 1930, as shown in the monthly bank statement as at May 31, were reduced by $69,400,067 to $574,667,632, the lowest since August, 1927. Savings deposits also were reduced by $8,715,821, but foreign deposits showed a gain of $7,255,103 which is the first in some months. Canadian call loans were further increased by $2,337,009 to $235,069,315, while call loans abroad remained but slightly below the figure of the previous month at $182,213,587. Current loans in Canada were reduced by $14,570,672 to $1,330,115,609 and loans abroad dropped $13,301,333 to $242,557,017.

Total of public liabilities has been reduced by $41,829,576 to $2,886,366,976. Circulation, however, is up to $164,710,728 from $154,747,492 and liabilities to the Dominion government are up $14,498,697 and to provincial governments up $1,851,404. The reduction in deposits and liabilities to banks abroad is reflected in the assets by a relative strengthening of immediately available liquid resources which have been reduced by only $1,458,831, while loans and securities "other than those of Canadian government" have been reduced a total of $15,154,371. An increase in letters of credit to the amount of $3,658,313 reflects the seasonal trend of tourist trade.

The May statement of the Canadian chartered banks for 1929 and 1930 with comparative figures for April, 1930, is as follows:

	May, 1930	April, 1930	Change	May, 1929	Change
	$	$	$	$	$
Assets					
Immediately Available Liquid Resources					
Specie	67,566,259	70,941,742	— 3,375,483	65,103,016	+ 2,463,243
Dom. notes	110,486,830	114,659,306	— 4,172,476	126,409,002	— 15,922,172
Gold reserve	45,680,866	43,780,866	+ 1,900,000	57,880,866	— 12,200,000
Foreign banks	89,723,408	82,260,721	+ 7,462,687	76,291,937	+ 13,431,471
Foreign curr.	17,085,701	18,023,675	— 937,974	19,843,044	— 2,757,343
Gov. secs.	286,090,694	288,189,977	— 2,099,283	358,087,117	— 71,996,423
Call loans abroad	182,213,587	182,449,889	— 236,302	322,182,343	—139,968,756
	798,847,345	800,306,176	— 1,458,831	1,025,797,325	—226,949,980
Loans and Securities Other Than Those of Canadian Government					
Pub. secs.	93,902,460	88,368,678	+ 5,533,782	113,347,744	— 19,445,284
Rly. secs.	51,423,833	51,231,371	+ 192,462	51,813,646	— 389,813
Can. call loans	235,069,315	232,732,306	+ 2,337,009	272,311,040	— 37,241,725
Current loans	1,330,115,609	1,344,686,281	—14,570,672	1,311,219,161	+ 18,896,448
Loans abroad	242,557,017	255,858,350	—13,301,333	247,658,021	— 5,101,004
Prov. & Mun. loans	130,187,384	125,533,003	+ 4,654,381	112,329,073	+ 17,858,311
	2,083,255,618	2,098,409,989	—15,154,371	2,108,678,685	— 25,423,067
Other Assets					
Non-curr. loans	7,734,478	7,708,461	+ 26,017	7,596,877	+ 137,601
Real estate	5,354,045	5,384,891	— 30,846	6,085,501	— 731,456
Mortgages	7,103,818	7,184,529	— 80,711	7,158,732	— 54,914
Premises	76,673,356	76,370,907	+ 302,449	75,905,866	+ 767,490
Lets. of credit	97,121,806	93,463,493	+ 3,658,313	93,494,314	+ 3,627,492
Loans to comp.	11,541,750	12,738,440	— 1,196,690	9,868,466	+ 1,673,284
Other assets	1,988,907	2,061,613	— 72,706	2,150,013	— 161,106
	207,518,160	204,912,334	+ 2,605,826	202,259,769	+ 5,258,391
Total	3,089,621,123	3,103,628,499	—14,007,376	3,336,735,779	—247,114,656
Note cir. dep.	6,378,505	6,378,505	....	6,111,817	+ 266,688
Int. bank bal.	134,094,304	165,925,390	—31,831,086	168,061,292	— 33,966,988
Gross	3,230,093,932	3,275,932,394	—45,838,462	3,510,908,888	—280,814,956
Liabilities to the Public					
Circulation	164,710,728	154,747,492	+ 9,963,236	168,245,164	— 3,534,436
Dom. Govt.	56,438,911	41,940,214	+14,498,697	113,831,347	— 57,392,436
Prov. Govt.	29,272,690	27,421,286	+ 1,851,404	35,567,852	— 6,295,162
Govt. advances	45,200,000	49,700,000	— 4,500,000	75,550,000	— 30,350,000
Deposits by Public					
Demand dep.	574,667,632	644,067,699	—69,400,067	663,515,282	— 88,747,650
Savings dep.	1,432,425,900	1,411,141,721	— 8,715,821	1,486,454,433	— 54,028,533
Total	2,007,093,532	2,085,209,420	—78,115,888	2,149,969,715	—142,876,183
Foreign dep.	393,794,422	386,539,319	+ 7,255,103	410,354,894	— 16,560,472
Due Banks Abroad, Etc.					
United Kingdom	14,086,912	9,757,185	+ 4,329,727	17,189,929	— 3,103,017
Foreign	60,223,649	69,985,181	— 9,761,532	100,620,539	— 40,396,890
Bills payable	14,010,322	5,048,739	+ 8,961,583	15,895,077	— 1,884,755
Lets. of credit	97,121,806	93,463,493	+ 3,658,313	93,494,314	+ 3,627,492
Other liab.	4,414,004	4,384,223	+ 29,781	4,166,535	+ 247,469
Public liab.	2,886,366,976	2,928,196,552	—41,829,576	3,184,885,366	—298,518,390
Due bet. banks	15,943,858	17,357,814	— 1,413,956	14,736,705	+ 1,207,153
Liability to Shareholders					
Dividends	3,523,796	1,366,960	+ 2,156,836	3,221,740	+ 302,056
Reserve	160,8660,452	160,511,513	+ 148,939	150,731,824	+ 9,928,628
Capital	144,631,019	144,530,595	+ 100,424	137,853,112	+ 6,777,907
Gross	3,211,126,101	3,251,963,434	—40,837,333	3,491,428,747	—280,302,646

Is Promoted



E. S. NOBLE
Appointed general manager of Spruce Falls Power & Paper Co.

New Brunswick Tourist Travel Setting Record

From Our Own Correspondent

MONTREAL.—American motor tourist travel in New Brunswick was 70 per cent greater up to the end of June this year than for the same period last year, according to reports compiled by the New Brunswick Government Bureau of Information and Tourist Travel.

The number of United States automobiles that entered New Brunswick this season up to June 30, was 186,250. Of this, number tourist permits were issued for stops of periods up to sixty days for 9,083 cars, as compared with 5,343 similar permits issued up to the same date last year.

Some few years ago there was no noticeable tourist traffic in New Brunswick until after July 4, whereas this year the traffic up to the end of June has reached a volume almost as large as the whole season would produce only a few years ago. Since the beginning of July, New Brunswick tourist traffic has been ahead of last year, making it evident that 1930 will be the biggest year for tourist traffic this province has ever experienced.

LIST MOUNT ROYAL STOCK

From Our Own Correspondent

MONTREAL.—Mount Royal Hotel shares have been admitted to trading on the New York Produce Exchange. Outstanding capitalization includes 68,213 six per cent preferred shares at $100 par and 60,000 common shares at no par. These securities are not listed on any market in Canada but are quoted "over the counter" at 39 to 43 for the preferred and four to six for the common. A few months ago control of the company was purchased from the United Hotels Co. of America by a syndicate of Montreal interests.

B. CORDAGE CO. IS KEEPING UP OUTPUT LEVEL

Business of 1930 Compares Favorably With Results of 1929

MAY EXPAND PLANT

Offsetting Factors Aid Company to Maintain Production Against Increase of Combines

Brantford Cordage Co., operating in this year of world-wide business depression in a market which is unprotected by tariffs, is likely to show in the year ending August 31, a volume of business just as great as in the preceding year. So busy have the company's mills been during the current year that considerable attention has been given to the idea that a fourth mill may soon be necessary. Under these circumstances the first preferred stock, paying $2 annually, assumes considerable interest as the yield is 9.30 per cent at current market valuations.

Net profits of the company have been from $73.718 in 1923 to $627,190 in 1925 in the last ten years. A deficit of $147,994 was shown in only one year, 1927, as a result of keen European competition from countries with debased exchange. Last year net profits were $416,333. Though the company's earning experience has been excellent for twenty years and though its present financial position is sound, there has been evident in recent years a certain trepidation lest the trend of events should be against it. The fact that the binder twine of the world can come into Canada is known to every trader and they remember the effect upon the company's earnings of the cheap competition from Europe. They fear also that the vogue of the combine harvester-thresher will do away with the necessity of binder twine for many farmers.

Tariff Works Both Ways

There are advantages which go with these apparent disadvantages. The tariff works both ways. The company gets its raw material cheaply; it sells a large part of the product in the United States where the United States Government with all its professed zeal in the farmers' interests has not dared to raise the duty; and it has a free market elsewhere in the world which it has taken full advantage of. The exchange difficulties have been ironed out and the company's product by quality as well as price has regained the place lost through imports some years ago.

The effect in the long run of the combine harvester-thresher cannot be entirely foreseen. So far the increase in the use of the combine thresher has, however, been in direct relation to the increased acreage devoted to the growing of wheat. Combine harvester-threshers have been found particularly suited to farmers growing large acreages of cash crops, mainly wheat. Sales of binder twine in Ontario and Quebec and other areas where diversified farming is the rule have not appreciably been affected. Many farmers, large and small, have uses for the straw which is a valuable by-product to them. They prefer to use ordinary harvester and binder twine for this reason.

Mixed Farming Aids Binder Twines

The fact that Western farmers devoting themselves mainly to the growing of wheat as a cash crop desire combines is also offset by the fact that there is a growing trend in Canada to diversified farming. This tendency is expected to be increased by the surplus stores of wheat which have driven prices low. More grain of all sorts will be grown to be fed and later sent to the markets of the world on the hoof. Binder twine is indispensable in such operations.

A speculative advantage of Brantford Cordage preferred stock is that provision was made in October, 1925, for an annual sinking fund of 50 cents a share to purchase first preferred shares up to $30 a share. As a result the first preferred stock outstanding has dropped from $2,000,000 in 1925 to $1,795,325 at the end of last year.

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Temple Bldg.
Brantford, Ont.

New Director

GEORGE BARBER
Recently elected to the directorate of Spruce Falls Power & Paper Co. and appointed treasurer of the company.

Quebec and St. Lawrence Navigation is Bankrupt

From Our Own Correspondent

MONTREAL.After a corporate existence of a little more than a year, Quebec and St. Lawrence Navigation is bankrupt and the joint trustees have put up for sale two of the company's vessels.

This company came into being a year ago last January, to acquire and consolidate the Quebec Navigation Company, St. Lawrence Transportation, Quebec and Lotbinière Navigation Company and National Construction Company. Later on the company acquired the Lachine-Caughnawaga Ferry and the Terrebonne Company, Limited.

Capitalization consisted of $600,000 of 6 per cent first mortgage bonds, $150,000 of 7 per cent preferred stock and 11,700 shares of no par value common stock.

Assets of the company at the time financing was carried out in June, 1929, amounted to $1,050,250 including cash balance. Fixed assets consisted of boats for freight and passenger service, tugs, barges, scows, freight sheds, equipment of all kinds, machines, etc.

Start Construction Soon On Huron & Erie Building

Huron & Erie Mortgage Corp. has awarded the contract for its new 9-storey home office and main branch building in London, Ont., and construction will be started immediately. The building will be ready for occupancy by the Huron & Erie and its subsidiary Canada Trust Co. by April 1, 1931.

The new building will be modern in every respect and of limestone construction. It will have a frontage of 75 feet and a depth of 136 feet. Of the 9 floors three will be used by the corporation, four will be rented as offices and the top storey will be used for recreational facilities. The building will cost some $800,000.

Vancouver's Industries Grow

In reviewing Vancouver's industrial progress of the past 18 months, it is of interest to note that 100 new industries have been established, giving employment to 1,399 people, with a payroll of $1,707,100, and that 53 established factories in Vancouver have, during the same period, made plant extensions involving expenditure in excess of $10,000,000.

Buy bonds now

BECAUSE of their comparative lack of fluctuation and ready marketability, bonds are the ideal investment for those whose first consideration is safety of capital.

It is axiomatic that the average investor, while always searching for the best time to purchase securities, misses the best opportunity in his anxiety to assure himself that the trend of the market is definitely established.

It is our opinion that the trend of the bond market is now definitely established and that prices will gradually become higher.

Our list of unusually attractive investments will be gladly sent upon request.

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A Surety Bond definitely guarantees trouble-free and expense-free service over a period of 10, 15 or 20 years, according to the Specifications selected. Only authorized Roofers are permitted to apply Murray-Made Bonded Roofs, the entire construction being under the direct supervision of Murray Engineers.

Products of the Dominion Bridge Company are of basic importance to the welfare and progress of the entire Dominion. It is of vital importance that the machinery and equipment of the Company be positively protected that they may operate at the highest standards of efficiency.

A striking commentary upon the Dominion-wide acknowledgement of Murray efficiency in Roof construction is the fact that 135,000 square feet of Murray-Made Bonded Roofing protects the plant and machinery of the Dominion Bridge Company Limited, at Vancouver, B.C.

Alexander MURRAY & Company LIMITED
(DOMINION TAR & CHEMICAL COMPANY, LIMITED)
MONTREAL TORONTO HALIFAX SAINT JOHN WINNIPEG VANCOUVER

Return of the Chartered Banks of the Dominion of Canada, May 31, 1930

Liabilities

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	41,197,993	25,889,715	5,000,000	6,728,503	136,305,216	385,296,031	93,983,539	1,491,435	1,513,438	8,691,857	5,102,271	10,470,183
Nova Scotia	15,380,065	1,873,650	5,000,000	529,864	34,444,664	125,641,421	36,017,780	7,143,723	107,886	2,155,330	164,139	5,783,928
Toronto	7,824,128	1,205,220	1,000,000	693,202	23,577,029	65,023,541	....	958,266	334,070	1,605,998	272,197	2,268,658
Provinciale	4,471,211	283,114	1,000,000	128,904	6,003,105	35,333,259		384	....	116,569	....	36,125
Commerce	30,026,939	10,573,067	9,000,000	5,262,413	139,276,316	292,714,439	49,634,421	971,050	7,994,105	19,610,179	5,456,889	24,402,693
Royal	37,533,496	11,784,455	15,000,000	7,855,231	145,608,750	293,081,084	209,576,728	1,613,264	2,792,405	24,815,371	2,969,385	47,041,417
Dominion	7,594,022	1,316,133	2,500,000	549,022	29,555,797	65,537,567	3,232,178	689,802	502,176	1,378,435	45,441	4,877,994
Nationale	10,865,794	1,137,198	5,000,000	2,037,469	24,323,822	90,824,508	1,349,776	641	44,934	722,508	....	611,808
Imperial	9,274,800	2,263,745	1,000,000	5,432,232	28,463,589	70,535,576	....	1,525,093	14,175	342,477	....	1,572,661
Weyburn Security	331,765	100,569	700,000	5,850	814,240	1,931,072		....	....	27,381	....	....
Barclays (Canada)	210,515	11,045	....	....	295,103	507,402	....	1,550,200	783,723	757,544	....	56,339
Total	164,710,728	56,438,911	45,200,000	29,272,690	574,667,632	1,432,425,900	393,794,422	15,943,858	14,086,912	60,223,649	14,010,322	97,121,806

NAME OF BANK	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	Capital subscribed	% last dividend	Loans to Directors	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Cir
	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	3,420,806	1,086,980	38,000,000	36,000,000	800,177,971	50,000,000	36,000,000	12	4,928,939	30,425,337	43,278,914	41,996,987
Nova Scotia	195,850	4,417	22,411,977	11,607,984	268,462,686	15,000,000	11,895,300	16	1,710,101	9,169,943	6,748,254	15,954,673
Toronto	248,065	180,605	9,000,000	6,000,000	125,191,984	10,000,000	6,000,000	12	1,252,613	418,900	6,031,700	7,927,765
Provinciale	33,898	95,058	1,500,000	4,000,000	54,001,632	5,000,000	4,000,000	9	....	251,616	443,133	4,804,663
Commerce	....	905,039	29,998,475	29,998,475	655,824,504	50,000,000	30,000,000	12	8,115,020	8,695,000	17,289,000	30,110,316
Royal	70,456	1,069,360	35,000,000	35,000,000	876,811,407	50,000,000	35,000,000	12	3,635,478	12,503,135	9,677,312	38,538,363
Dominion	444,841	880	9,000,000	7,000,000	134,224,293	10,000,000	7,000,000	12	790,505	1,048,000	2,252,000	7,787,372
Nationale	....	178,760	7,000,000	7,000,000	151,147,222	10,000,000	7,000,000	10	587,002	1,056,018	1,471,105	11,468,799
Imperial	....	2,669	8,000,000	7,000,000	135,427,022	10,000,000	7,000,000	12	182,112	1,063,399	3,323,852	9,436,703
Weyburn Security	....	28	250,000	524,560	4,685,467	1,000,000	655,700	7	18,557	26,631	36,160	331,765
Barclays (Canada)	39	....	500,000	500,000	5,171,913	500,000	500,000	.....	142,000	10,606	101,244	210,515
Total	4,413,955	3,523,796	160,660,452	144,613,019	3,211,126,101	211,500,000	145,051,000	.....	21,362,327	64,668,585	90,652,674	168,567,921

Assets

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks	Due from banks in U.K.	Due from banks elsewhere	Government securities	Canadian municipal British and foreign Securities	Railway and other bonds and stocks	Call loans in Canada	Call loans elsewhere
	$	$	$	$		$	$		$	$	$	$	$
Montreal*	32,773,903	42,288,272	4,049,992	910,945	32,259,948	251,067	4,150,308	14,357,765	89,234,553	21,363,764	4,133,088	27,343,264	72,356,061
Nova Scotia	9,466,473	9,012,390	1,282,441	1,843,744	9,094,171	....	240,353	3,780,505	24,089,095	8,604,389	10,814,489	34,177,258	12,835,163
Toronto	416,257	6,427,640	815,590	111,962	5,505,416	....	301,670	1,998,062	13,158,305	3,106,286	1,282,996	10,688,558	....
Provinciale	252,791	397,994	606,415	106,828	2,108,086	1,365,919	69,418	692,847	5,501,228	2,814,735	3,175,125	9,986,868	....
Commerce†	8,756,448	20,897,767	2,746,890	1,064,891	20,457,131	2,161	789,055	22,764,938	48,060,013	19,345,199	10,639,948	51,135,109	48,568,605
Royal‡	12,741,055	21,778,170	4,022,922	12,466,162	24,855,647	1,394	1,454,179	33,927,727	57,139,478	18,269,090	16,063,102	61,580,993	43,794,010
Dominion	1,025,977	3,794,018	1,053,895	195,877	5,188,657	4,554	171,072	2,497,016	12,670,937	2,963,428	2,241,534	14,128,841	3,159,748
Nationale‡‡	1,011,245	1,191,557	1,120,405	164,139	5,286,988	693,034	58,580	937,854	20,342,358	12,044,170	2,737,994	12,239,311	....
Imperial	1,085,434	4,357,813	943,960	214,015	6,380,956	612,995	83,351	754,922	14,651,710	5,271,206	240,868	12,574,113	1,500,000
Weyburn Security	26,284	34,032	23,175	2,288	16,173	416,057	....	94,736	706,765	21,341	44,232	....	....
Barclays (Canada)	10,392	307,177	13,120	4,850	1,338,132	1,577,013	267,995	331,055	536,252	94,852	50,457	215,000	....
Total	67,566,259	110,486,830	16,678,805	17,085,701	112,491,305	4,924,194	7,585,981	82,137,427	286,090,694	93,902,460	51,423,833	235 069,315	182,213,587

NAME OF BANK	Other current loans in Canada	Other current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves **	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$		$	$	$
Montreal*	320,663,956	39,679,451	11,047,023	41,612,820	2,040,133	362,005	1,456,914	14,500,000	10,470,183	1,449,355	12,000,000	1,923,668	319,103	802,997,554
Nova Scotia	100,876,293	17,458,651	58,930	7,698,356	172,647	65,296	83,867	7,321,129	5,783,928	507,637	6,000,000	....	105,947	271,373,163
Toronto	70,281,745	....	....	3,050,242	116,718	....	44,792	3,562,761	2,268,658	280,585	2,380,866	....	....	125,799,118
Provinciale	20,802,880	....	....	2,120,164	129,056	422,261	501,603	2,172,416	36,125	203,150	900,000	....	229,367	54,595,284
Commerce†	272,334,517	33,689,065	2,670,290	32,194,717	2,428,094	1,859,132	1,838,275	15,028,749	24,402,693	1,250,000	10,000,000	4,969,882	314,986	658,217,665
Royal‡	331,708,129	150,850,066	425,761	10,612,579	2,335,866	1,812,454	1,313,566	15,930,139	47,041,417	1,650,000	6,000,000	4,648,100	615,225	883,037,242
Dominion	71,285,741	820,339	....	1,499,82	116,780	807	16,559	5,906,448	4,877,994	325,000	1,200,000	....	183,779	135,328,835
Nationale‡‡	69,335,646	59,445	472,348	10,367,940	180,770	584,925	1,067,052	5,682,551	611,808	308,755	4,200,000	....	76,258	151,775,144
Imperial	70,303,634	....	11,493	5,954,793	187,324	105,466	546,149	6,222,018	1,572,661	368,938	3,000,000	....	126,568	137,074,395
Weyburn Security	2,218,558	....	....	381,106	27,090	141,699	235,041	347,145	....	30,085	....	....	17,571	4,783,384
Barclays (Canada)	304,510	....	....	....	....	....	....	....	56,339	5,000	....	....	....	5,112,140
Total	1,330,115,609	242,557,017	14,694,845	115,492,539	7,734,478	5,354,045	7,103,818	76,673,356	97,121,806	6,378,505	45,680,866	11,541,750	1,988,804	3,230,093,932

**Of this deposit $14,630,866 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†In addition to the business of its Agency in San Francisco, the figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above general statement.—Footnote to Royal Bank return.

‡‡The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale are included in above return.—Footnote to Banque Canadienne Nationale return.

SECOND SECTION

THE FINANCIAL POST

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ALBERTA GAIN FOR LIBERALS IF U.F.A. LOSES

Campaign is Different From That Elsewhere in Canada

LOCAL PRIDE RULES

Issues Based Entirely on What is to Be Won For Province by Participation in Politics

From Our Own Correspondent

EDMONTON.—Out of the 16 federal seats in Alberta 11 were held by U.F.A. members in the last House. The general expectation is that not more than two or three of these seats will be lost in the coming election, with Liberals the probable gainers. The problem presents itself as to why this group is so strong in Alberta, what policies they stand for, and what attitude they are likely to take in the next parliament, if, as may be the case, they should hold a balance of power?

Bennett Only Conservative

It is to be noted that in the last House there was only one Conservative seat, that held by the Hon. R. B. Bennett. The other Calgary seat was held by a Labor man. Two Edmonton seats were held by the Liberals. Outside of the two principal cities only one seat, that in Medicine Hat, Liberal, returned a supporter of either of the two principal parties. All the other members belonged to the U.F.A. group.

The key to the situation is found by considering the weakness of the major parties in Alberta rather than the strength of the U.F.A., and it lies in the intense provincialism of feeling in this province, which probably surpasses that of any other province in Canada.

Albertans are for Alberta, first, last and all the time. They tend to concern themselves little with what goes on in other parts of Canada, and their alliances with organizations which cover the whole country are likely to be light. They are proud of the province's climate, of its resources and of its development.

Revolt Against Party

In Saskatchewan and in Manitoba there is comparatively little provincial thinking and special loyalty, but an Albertan differentiates himself from other Canadians, and his province from the rest of Canada, with a feeling comparable with that which is said to exist across the line in California. Practically all of the voters, of course, were born outside of the province, a fact which only makes the stronger their loyalty to the province of their adoption. It is hard, therefore, to get Albertans worked up over national political parties. The cities would probably show this in their voting quite as much as the country, but for the fact that the U.F.A. as a farmers' organization, has never found an excuse to run city candidates.

The U.F.A. as an organization does not recognize this fact, and is probably quite unconscious of it. Officially the farmers' organization claims that its political activities are a revolt against the party system, regardless of the fact that it is the most partisan of political parties. Officially the organization presents itself as basing political organization upon an economic group, quite prepared to force that method of representation upon the whole of Canada. That is the political philosophy of H. W. Wood, head of the farmers' organization in the province, but it is a philosophy to which no one else in the province pays a great deal of attention.

Issues are Different

To the rest of Canada the issue in the election may be whether the Liberal government be retained in power or a government headed by Mr. Bennett replace it; whether the Dunning budget is good or bad; whether imperial trade should be enlarged, or will be enlarged under the budget; and who is to represent Canada at the coming Imperial conference. In some places it may be high tariff or low tariff. In the U.F.A. campaign none of these things are made to count for much, nor indeed, is any other issue than the claim that the U.F.A. members are the best possible representatives.

Driven to a direct choice, the group would be more likely to support Mr. King than Mr. Bennett. A real alliance with the Liberals would be hard to conceive, unless it should prove practicable to get Premier Brownlee, of Alberta, into the Dominion cabinet.

Schulte-United Sales Well Ahead This Year

From Our Own Correspondent

MONTREAL.—Schulte-United 5c to $1 Stores, Inc., reports sales for June of $2,164,460, an increase of 46.94 per cent over sales of $1,473,039 in June, 1929. Sales for the first six months of 1930 were $11,783,250, a gain of 93.59 per cent over sales of $6,086,727 during the first six months of 1929. The company reports 101 stores in operation at the end of June, as compared with 71 stores in operation at the end of June, 1929.

Can. & Foreign Securities Reported Good Progress

Steady progress is reported for Canadian & Foreign Securities Co., which was formed in 1926 as a successor to the Canadian Northern Prairie Lands Co. Through its subsidiary the present company owns prairie land in western Canada and also owns government and corporation bonds and preferred and common stocks.

For the year 1929 the company reported net earnings, after expenses and debenture interests, of $80,868, which was carried to profit and loss account, increasing the total of that account to $174,933. The investments are carried on the books of the company at not over cost, and show an appreciation at market values.

Newspapers Comment On Election Forecast

From coast to coast, newspapers of every political color have commented, republished or commented at length on The Financial Post Bankers' Election Forecast published in the last three issues of this paper.

Some of the representative comments are as follows:

Big Fight in Ontario

The Ottawa Citizen.—The forecast of The Financial Post tends to strengthen the idea that the big fight will be in Ontario and Nova Scotia with little change in the West and little, if any, in Quebec.

Generally speaking, there is nothing in this detailed survey to indicate any change of government, though probably, in the great majority of cases, the forecast is made by bankers who personally adhere to the Conservative party.

Thinks King Will Do Better

Toronto Daily Star.—Those who attach importance to the forecast will say that the Liberals cannot have a clear majority in the House against the combined numbers of the Conservatives and the five groups. But there can be no combining of these groups with the opposition led by Mr. Bennett and Dr. Manion.

In so far as The Star is concerned, while we compliment The Financial Post on the enterprise it has displayed in making this forecast and the care with which the work has been done, we feel convinced that the Mackenzie King government is going to do much better at the polls that this forecast indicates.

Thinks Bennett Will Do Better

The Mail & Empire, Toronto.—We think that The Post is badly out in its estimates of results in Ontario, Manitoba, Saskatchewan and Alberta. If our own advices are to be trusted, Ontario should return seventy Conservatives; Manitoba should come back to the Conservative fold, and Mr. Bennett should secure about twelve seats in Saskatchewan and Alberta. In 1926 the Conservative lead in Ontario was cut down by a factor which no longer exists; Manitoba is normally Conservative, and Saskatchewan has recently elected a local Conservative ministry. No administration could survive the present trade depression and unemployment. The whole trend of public sentiment is in favor of a change in order that Canada may have a new chance.

Right, as to Ottawa

The Ottawa Evening Journal.—The Toronto Financial Post, summing up election chance, concedes Ottawa to the Conservatives. It takes neither prophet nor the son or a prophet to foresee that.

Precarious Situation

Brantford Expositor.—The Liberal party, according to the Post, will not have independent control and, if the forecast is correct, the political situation will be precarious, with the U.F.A. Progressives, etc., group holding the balance of power.

Reliable as Possible

London Free Press.—Branch bank managers in Canada and bankers generally are independent in politics. Although there are some who are not, they are divided pretty evenly between both major political parties, as literature coming into newspaper offices indicates. Therefore, the result of a survey made by The Financial Post, in which it asked 3,000 bank managers in Canada to name the candidate in their constituency they thought would win, is of much interest and some importance. It can be considered as reliable as any straw vote can be.

Does Some Figuring

Hamilton Herald.—The Financial Post admits the return of the Liberal Government, basing the view on several hundred forecasts sent in by the managers of branch banks throughout the country. These returns are naturally conservative in character, and indicate fewer seats won by the Liberal party.

If the thirteen doubtful seats went to the Conservatives, they would have 103 seats in this calculation as against 110 for the Liberals. If the doubtful seats went to the Liberals, which is not impossible they would have 123 as against 92 Conservatives.

Forecasts are not infallible, of course, and in comment on the general view, the Post remarks that should it be possible for Mr. Bennett to get a majority it would be so small as to require another election. Only five Conservatives are allowed to Quebec but there are more doubtful Conservative seats in Ontario than might have been expected.

It may be taken for granted that the Conservative strength will be in the cities where the unemployment cry will be more effective than in the country, where the farmers are always too busy to regard this cry as anything but a menace to themselves.

The result of the forecast, which is carefully impartial, is of importance as indicating the strength of the Government.

Liberals Hold Majority

Le Soleil, Quebec.—There is a difference of 30 seats between Liberal and Conservative forecasts. The future will tell us the exact truth. It is only on July 28, the day of election, that it will be possible to know it. But it is a certain fact, that victory is already conceded to the Liberals by all fair-minded elements of the two parties. At the worst, even supposing that the last figures cited were over-optimistic, it still remains true that one could cut off half the extra thirty seats claimed by the Liberals and the latter would still be in the majority.

No Reversal Seen

La Patrie, Montreal.—From all this it appears that the bankers are eminently careful men. They have observed nothing which would indicate that the electorate intends to reverse the present situation, perhaps because it is too soon, and perhaps simply because the electorate intends nothing of the kind; consequently it seems to them that things will stay as they are.

But Later Forecasts Do

Ottawa Citizen.—The Toronto Financial Post does not "concede" Ottawa to the Conservatives. It places both seats in the "doubtful" column, which is as it should be. Ottawa always is doubtful, which reflects its political sagacity. Cities like Toronto are never doubtful.

The "Big Interests" Again

St. Catharines Standard.—Straw vote of The Financial Post among bankers on the election seems to have been to feel out the purse and not the pulse of the country.

New Brunswick Prospects

Moncton Times—There is scarcely a doubt in regard to the five seats held by the Conservatives in the last Parliament and with such candidates as the Hon. B. Frank Smith in Carleton, George McDade in Northumberland and Max Cormier in Restigouche-Madawaska, these counties are likely to be redeemed. Even in Gloucester Mr. Veniot will have stiff opposition and so far has not appeared outside his own county, while Premier King has requested the Liberal Senators for the province to take over all campaign organization work in the majority of the constituencies, curtly informing Mr. Veniot of this arrangement.

Mr. Bennett's Task

The Ottawa Citizen.—All the forecasts in The Financial Post's poll are not in, of course, but 90 per cent of the constituencies have been heard from. The figures show clearly that between the optimistic Conservative calculations and the calm predictions of politically unattached Conservatives scattered throughout the Dominion there is a considerable difference. Mr. Bennett has got to do much better than these observers think he will, to be able to get into power a month hence.

Fredericton Mail—The Conservatives are confident of holding what seats they now have in this province and electing Hon. B. F. Smith in Carleton and George M. McDade in Northumberland. If it does happen then the estimate of the Post will be twenty per cent astray so far as New Brunswick is concerned.

Factor of Pessimism

La Patrie—"In either eventuality (that is, a Conservative victory by a very small majority or a Liberal victory on a basis which will make it necessary to bargain with other elements)" says The Financial Post, "it will not be good for business. And the election result, if this prediction proves accurate, becomes a factor of pessimism."

Disconcerting to Both

L'Evenement—We do not understand the importance given to these forecasts by Conservatives and Liberal newspapers, because, analyzed without party bias, they are just as disconcerting for Mr. King as for Mr. Bennett. It follows from these forecasts that the Progressives, the Labor member, and the Independents will hold the balance of power during the next Parliament.

Stalemate Unfortunate

Le Devoir—May it please God that at least the elector will give us stable government and that we will not be obliged after a brief interval to enter a new period of agitation and fighting for power such as we experienced from the autumn of 1925 to September, 1926. That could only be damaging to the best public interests.—George Pelletier.

BIG SOCKEYE RUN NOT MATERIALIZING

B.C. Salmon Catch Looks Disappointing in Some Areas

From Our Own Correspondent

VICTORIA, B.C.—Large runs of sockeye salmon expected at Smith's and Rivers inlets in consequence of excellent brood year reports have so far failed to materialize and returns from these districts have been disappointing, according to J. A. Motherwell, chief supervisor of fisheries.

In the Naas and Skeena river areas, however, excellent returns are reported.

Poor weather also has hampered operations in the Smith's and Rivers Inlet areas, so that to date escapement to the spawning grounds, as well as the catch, has been below expectations. Fishery officials are unable to account for the failure of the sockeyes. The run may, however, be late owing to ocean feeding conditions, and still materialize. Runs in various coast sections have varied before.

In the Alberni district the rebuilding of the sockeye runs has been successful. When depletion set in, all fishing in the Canal was barred for five years. Now fishing has not only been good for the sockeye, but there also has been excellent escapement. Alberni is the only district in which the department has taken such drastic conservation action as to ban all fishing for a five-year period.

SPRUCE FALLS CO. EARNINGS IN YEAR $1.43 ON COMMON

Results Would Have Been Better But For Limitation of Output

Spruce Falls Power & Paper Co. net profit of $1,258,597, in the year ending April 30, 1930, was equivalent to $14.14 a share on 89,000 shares of $100 par 7 per cent first preferred stock outstanding to $12.71 a share on 50,001 shares of 7 per cent second preferred stock outstanding and to $1.43 a share on 200,000 no par value common shares of common stock outstanding.

Bond interest of $825,000 was earned 2.53 times after deducting $100,000 for depletion of timber limits and $45,927 for taxes.

Income and Surplus Account

	Yr. End. Apr. 30, 1930
Operating income	$ 2,229,525
Less: Bond interest	825,000
Depletion of timber limits	100,000
Taxes	45,927
Net profit	1,258,597
Preferred dividends:	
First preferred, 7%	623,000
Second preferred	350,007
Surplus for year	285,590
Previous surplus	10,506,680
Carried forward	10,792,271
Times interest earned	2.53
Earned on 1st. pref.	$14.14
Paid on 1st. pref.	$ 7.00
Earned on 2nd. pref.	$12.71
Paid on 2nd. pref.	$ 7.00
Earned on common	$ 1.43
Paid on common	$ 0.00

Spent $1,000,000 in Improvements

The reserve of $10,792,271 shown in the foregoing table includes $10,500,000 representing surplus appreciation arising from the appraisal of properties and $292,271 surplus from operations. It will be seen that the greater part of the operating surplus was provided by operations during the year under review.

"The sulphite mill operated at full capacity during the entire year," said F. J. Sensenbrenner, president, in the letter to shareholders accompanying the annual report. "Owing, however, to the over-built condition of the newsprint industry, and despite the fact that during the year our full equipment of four machines were in condition to operate we have not been permitted to operate more than three paper machines, and this is the condition today. The results shown in the attached income account, from operating on this reduced percentage basis of capacity, may be considered satisfactory.

"During the year, we expended an amount slightly in excess of $1,000,000 for additional improvements, including the installation of the fourth hydro-electric unit of 18,750 h.p. in our Smoky Falls plant."

Working Capital is Strong

Fixed assets of the company amount to $39,757,069 while the reserve for depreciation and depletion stands at $2,114,935. Contingent liabilities are also shown at $30,075.

Current assets total $2,737,213 with inventories representing $1,108,096 and expenditures and advances on 1929-30 season's woods operations requiring $632,930. Accounts receivable stand at $898,928. Current liabilities include net bank loans of $163,011, accounts and wages payable of $821,549 and $47,259 first mortgage coupons outstanding for which cash has already been deposited. The deposit with the Ontario Government amounts to $50,000. Working capital therefore amounts to $1,705,395.

Can. Western Lumber Co. Reduces Indebtedness

The consolidated statement of the Canadian Western Lumber Co. for the year ended December 31, 1929, shows a continued recovery from the losses suffered during the war years and arrears of interest on the income debenture stock were further reduced by 11 per cent on June 1. During the past 10 years the company has repaid indebtedness of approximately $2,700,000, arrears of debenture interest amounting to £631,433 and has redeemed by sinking fund some £640,191 of first mortgage debenture stock.

Sales of lumber during 1929 increased by some 3,000,000 board feet over sales in 1928 and sales for the first quarter of the current year show continued improvement, although prices per 1,000 board feet are lower.

Expect Business To Improve in Fall

Marked improvement in business conditions in Canada should be under way toward the end of 1930, according to the July issue of the Quarterly Review, published by McLeod, Young, Weir & Co., Limited, investment bankers, Toronto.

"The present decline in business commenced in June of 1929 and at the middle of 1930 business is apparently bumping on the bottom," it declares. "The business cycle regularly consists of improvement, prosperity, crisis, recession and depression. At the present time we are aparently well into the depression period. The question is how long should this period last and our opinion, based on available statistics, is that recovery should be quite evident in Canada by the final quarter of this year."

SMALL INTEREST IN ELECTION TALK IN SASKATCHEWAN

Radio and Crops Keep Farmers Away From Meetings

From Our Own Correspondent

REGINA.—The province of Saskatchewan gives an observer little to report on with respect to election activities, for the main feature of the election is that there is so little activity, or even interest. Party organizers for both Liberals and Conservatives, as well as for the newly-formed Farmers' party, all complain of general apathy with respect to results, and the difficulty of getting workers lined up.

To a large extent this is blamed on the radio. The farmer who has sat at home and heard Mr. King, Mr. Dunning and Mr. Bennett has heard better addresses than he is likely to hear elsewhere, and his appetite for politics is largely satisfied.

Partly it is owing to the season, for just now the out-turn of his crops is far more interesting to him than the fortunes of the government. Then too, there is some satiety of meetings and propaganda, his appetite for which has been more than filled in connection with the wheat pool as well as various other organizations.

Has Thirteen Candidates

There is a certain amount of disillusionment, too, for the Saskatchewan farmer, during the past ten years, has put a tremendous amount of enthusiasm into various organizations, political, educational and marketing, in many of which he has found a great deal of disappointment, and he is not quite so sure now as he once was that any particular organization is going to change his condition.

Which party is helped or hurt most by this condition it is not easy to decide. The Farmers' party, organized only this year as the result of the decision of the United Farmers of Canada that farmers ought to go into politics, is probably having the worst time of it, since enthusiasm is required to get such a movement going. It has nominated 13 candidates for the 21 Saskatchewan seats, including four who appeared as Progressives in the last parliament—A. M. Carmichael, of Kindersley; W. R. Fansher, of Last Mountain; M. Campbell, of Mackenzie, and John Evans of Rosetown

Describes Detroit-Canada Tunnel

Bertles, Rawls & Donaldson, Inc. of New York city has issued an informative booklet of 21 pages descriptive of the Detroit-Canada Tunnel. The story of the tunnel and what it represents is outlined adequately with numerous illustrations.

DOMINION STORES HAS SALES GAIN FOR SIX MONTHS

Expected Profits Position Will Be Found Unimpaired at End of Year

Dominion Stores sales for the first six months of 1930 were $12,296,797 as compared with $12,145,142 for the same half year of 1929. These results were attained in face of the fact that prices of commodities have been dropping and that June sales at $1,827,028 fell under the June total of $1,918,983 last year. The increase for the six months was 1.25 per cent and the decrease for June was 4.8 per cent in dollar volume. As prices of commodities sold by this company are reported to have declined 10 per cent since June, 1929, the actual turnover of goods even in June is believed to have been well ahead of that a year ago.

Has Most Stores

Dominion Stores has the largest number of stores operating in Canada of any grocery chain. While it is too early to talk of the next year's earnings there is every confidence among those close to the company that the company will earn its dividend with a substantial margin, and possibly even show an increase in profits. The common stock pays a cash dividend of 30 cents a share quarterly and a stock dividend of 2 per cent is now being paid semi-annually.

The only uncertain element so far as the general public is concerned is as to the results being attained by the meat departments installed by the company. The expense of installing these meat departments in 70 stores was borne out of current revenue.

The larger sales have been attained in spite of the fact that the company has closed unprofitable stores so that its operating stores now number 505 instead of the 541 operated at the end of 1928. Working capital position at the end of 1929 was strong. The stock is selling currently around 20 for a yield of 6 per cent, not including the stock dividend. It earned $2.17 a share last year and is paying in cash at the rate of $1.20 annually. Including stock dividends the yield is 10 per cent.

Officers and employees of the company have options to purchase 30,000 shares of stock of the company at $21.70 a share from 1931 to 1935, inclusive.

Quarter's Business Up For De Forest Crosley

De Forest Crosley Radio Co.'s experience with the first quarter business ending June 30 is eminently satisfactory to the executives in charge. Business is well in advance of last year, and has been greatly stimulated both by the company's new models and new prices and the immediate desire of households both in the city and the country to listen in to speeches made at political meetings.

While this and other companies are not yet ready to prophesy that their experience in the current year will be much better than the last, the experience so far has been encouraging to them. There is a large, potential market which has been only thinly covered. De Forest Radio has had a much larger western business this year than last, which is a commentary on the financial strength of the West after such a half-crop year at low prices as was experienced last year.

It is not only in sales volume and production that De Forest shows an improvement over last year. Dealers' commitments are in excess of the same period last year, and revenue to date is greater. More strenuous competition is expected later in the year, and reduced buying power will prevent the advance made being so great as it would otherwise be.

The company's manufacturing plant has been entirely revised both in equipment and layout during the last year so that present operations are proceeding at a much lower cost than was possible some months ago.

Gordon W. Scott Resigns from Robt. Mitchell Board

From Our Own Correspondent

MONTREAL.—Resignation of Gordon W. Scott from the board of directors of the Robert Mitchell Company was in line with expectations. A recent amendment of the company's act provides that no member of a firm of chartered accountants which audit the books of a company, shall hold a seat on the directorate of that company. Mr. Scott's resignation is in conformity with this amendment.

It is understood that Mr. Scott will continue to be closely associated with the Robert Mitchell Co., the audit of the company's books now being under his personal direction.

Ætna Life Insurance Company

GROWTH OF THE COMPANY

The Company's rapid and consistent growth is shown in the following figures:

End of	*Admitted Assets	Net Life Ins. Reserve	Capital, Surplus & Special Funds	Insurance written	Life Insurance in force
1870	$ 14,816,782	$ 11,543,841	$ 2,483,209	$ 26,541,472	$102,195,224
1900	56,064,719	46,817,308	7,716,766	39,321,247	192,592,816
1920	177,502,366	123,451,986	19,027,417	495,216,385	1,155,589,341
1925	274,194,649	185,838,747	32,459,590	906,759,427	2,495,741,615
1927	338,736,659	228,872,018	43,318,193	901,174,039	3,226,668,735
1929	410,527,740	298,719,979	55,288,922	1,105,807,742	3,789,949,199

* Figures show assets of entire Company.

The Ætna Life issues a wide range of policies. Its actuarial methods are sound and the Company is most economically managed. One of the country's outstanding insurance executives is at its head and the outlook for continued growth is very bright.

Because there are but a few of the more prominent life insurance companies whose capital stock can be purchased, this stock represents, in our opinion, an outstanding opportunity. The Company's investment policy is sound, conservative and constructive. We have confidence in its management and future, and recommend the purchase of the company's capital stock.

Our Latest Report on Aetna Life Insurance Company will be sent upon request.

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TELEPHONE LAncaster 2196
Correspondents: F. E. Kingston & Company, Hartford, Conn.

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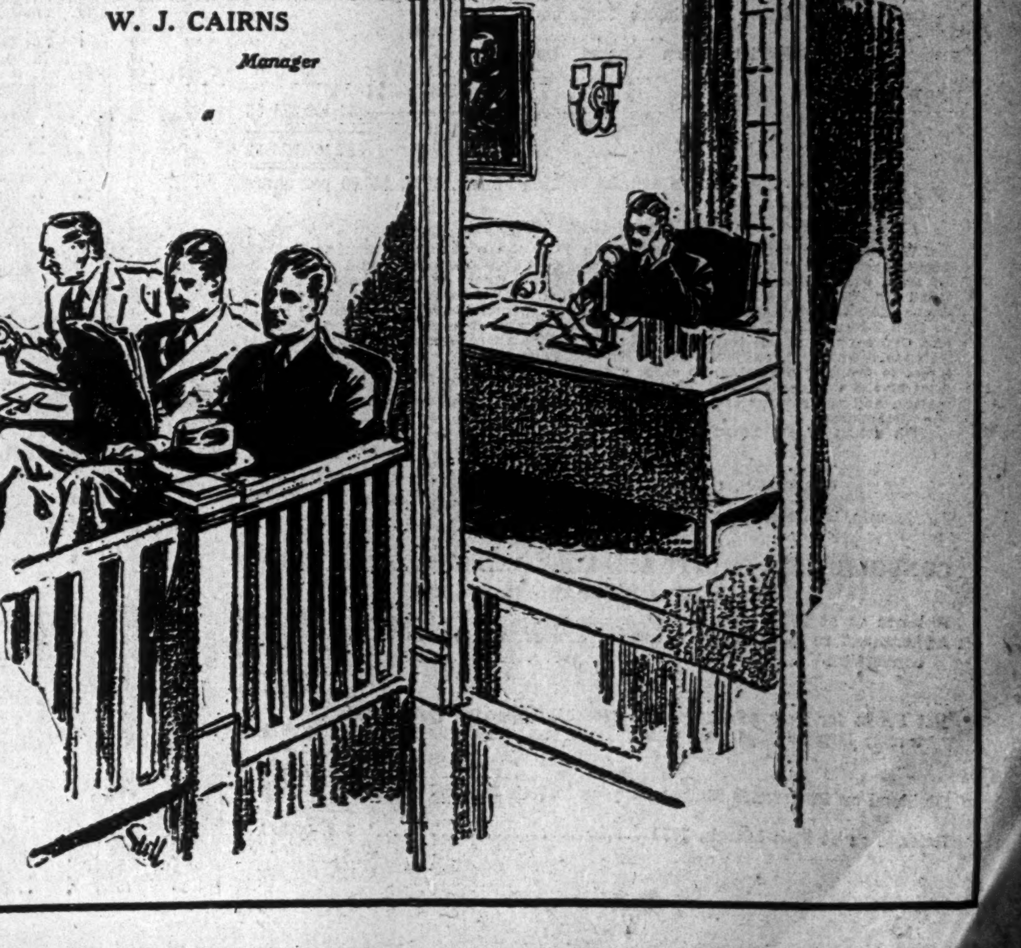
W. J. CAIRNS
Manager



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The
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Limited
DEALERS IN
Canadian Government, Municipal and "Dollar for Dollar" Bonds
CANADIAN PACIFIC BUILDING TORONTO
MONTREAL LONDON HAMILTON OTTAWA WINNIPEG

CONSOLIDATED BALANCE SHEET OF
CANADA PACKERS LIMITED

AS AT 27th MARCH, 1930

ASSETS

Cash in Hand	$ 30,895.75	
Accounts Receivable, less Reserve for Losses	5,161,272.97	
Inventories of Packing House Products, Produce and Supplies, including advance payments on goods purchased, goods in transit, and goods on consignment, less advances by consignees	10,188,568.34	
Investments in related Companies	630,158.35	
Bonds and Preference Shares of Associated Companies held by them (Par Value $655,200.00) at cost	657,597.19	
Sundry Investments and Mortgages	199,585.38	
Life Insurance (Cash Surrender Value)	129,458.00	
Prepaid Expenses	159,701.45	
Sundry Advances, Deposits, Balances Receivable and Advances to Employees for Expenses, etc.	173,771.73	
		$17,331,009.16
Cash in hands of Trustees for Bondholders		81,790.33
Land, Buildings, Leasehold, Plant and Equipment (based on appraisals 1919 to 1927)		18,755,022.83
Goodwill		4.00
Contingent Liabilities in respect of Paper under Discount and Sterling Bills $220,000.00		
		$36,167,826.32

LIABILITIES

Companies' Bankers (Secured)		$ 5,902,921.97	
Accounts Payable and Accrued Charges, including Reserved for Income Tax		1,954,787.78	
Accrued Bond Interest—			
William Davies Company, Inc., Bonds	$ 46,731.03		
The Harris Abattoir Company, Limited, Bonds	56,407.00		
		103,138.03	
Shareholders' and Employees' Deposits		262,815.48	
Dividend on Preference Shares for quarter to 30th September, 1928, payable 1st April, 1930		109,490.50	
			$8,333,153.76
Special Loan—secured by 6% First Collateral Trust Bonds of Canada Packers Limited			1,250,000.00
Funded Debt—			
Canada Packers Limited:			
6% First Collateral Trust 20-year Bonds, due 1947, held by bankers as collateral as above	$2,500,000.00		
6% Second Collateral Trust 20-year Bonds, due 1947, held by one of the above Companies.	650,000.00		
William Davies Company, Inc.: First Mortgage Sinking Fund 6% 20-year Bonds, due 1942		$ 1,875,000.00	
The William Davies Company, Limited: 6% First Mortgage Demand Gold Bonds held as collateral to the Bond Issue of William Davies Company, Inc.	4,000,000.00		
The Harris Abattoir Company, Limited: First Mortgage Sinking Fund 6% Bonds, due 1947		3,780,400.00	
			5,655,400.00
Minority Interest of Shareholders of Subsidiary Company		$ 23,807.07	
Reserve for Depreciation		3,811,357.74	
Appraisal Surplus		5,685,832.67	
			[illegible]9,520,997.48
Capital Stock—			
Authorized: 100,000 7% Cumulative Redeemable Preference Shares of $100 each			
200,000 Common Shares — no par value			
Issued and Outstanding: 62,684 Cumulative Preference Shares		$ 6,268,400.00	
199,974 Common Shares, no par value		1,433,305.87	
Surplus Account		3,706,569.21	
			11,408,275.08
			$36,167,826.32

(Note: Preference Dividend in arrears to 27th March, 1930, $10.50 per share or $658,182.00.)

AUDITORS' CERTIFICATE.

We have examined, as at 27th March, 1930, the accounts of Canada Packers Limited and the Head Office accounts of the above Companies and their Subsidiaries, except Harris Abattoir (Western) Limited, whose accounts have been certified by Messrs. Price, Waterhouse & Co., Chartered Accountants, Winnipeg, and Gunn, Langlois and Company, Limited, whose accounts were examined by us as at 26th February, 1930. The returns from the Branches and from Gunn, Langlois and Company, Limited, certified by Branch Officials, are incorporated in the above Balance Sheet, and, subject thereto, we certify that in our opinion such Balance Sheet is properly drawn up to show a true and correct view of the combined affairs of the Companies as at 27th March, 1930, according to the best of our information and the returns and explanations given us, and as shown by the books of the Companies.

On behalf of the Board

J. S. McLEAN, Director,
S. G. BROCK, Director.

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH,
Chartered Accountants.

Toronto, 28th May, 1930.

CONSOLIDATED PROFIT AND LOSS AND SURPLUS ACCOUNT

For the Year Ended 27th March, 1930

Balance as at 27th March, 1929	$ 2,598,444.57
Adjustment re Subsidiary Company Shares turned in for conversion	791.24
	$ 2,599,235.81
Net Profit for year after providing for all Expenses, Bond Interest, Depreciation and Taxes	1,552,071.40
	$ 4,151,307.21
Dividend on Preference Shares for year to 30th September, 1928	444,738.00
Balance as at 27th March, 1930	$ 3,706,569.21

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Stocks

WEEK ENDING JULY 14

Range 1930 High	Low	Divd. Rate $	Yield in % July 12		Close July 7 (or last)	Week Ending July 14 High	Low	Close
42¼	22½	.	...	Abitibi, c.	25¼	26½	25	25¾
110	103	7	6.79	Do. pref.	103	..	..	..
87	65	6	8.00	Do. pref.	79	77	75	75
14	8¼	.	...	Agnew Surp., c.	9½	9	9	9
95½	93½	7	7.48	Do. pref.	94	93½	93½	93½
28	13	.	...	Alta. Pac. Grain	16	15½	13	13
91	85	7	8.23	Do. pref.	86½	85	85	85
15	14	.	...	Amal. Elec.	15	..	..	..
39	36	3	8.33	Do. pref.	36	..	..	..
3¾	¾	.	...	Asbestos, c.	1	1	1	1
15	2	.	...	Do. pref.	4	4	4	4
48	38	.	...	Asch, c.	39	..	..	..
89	86½	7	7.95	Do. pref.	88	..	..	..
18	14	2	13.55	Assoc. Brew.	14	14¾	14¾	14¾
95	85	7	8.23	Do. pref.	85	..	..	..
18⅝	14	1.50	10.71	Assoc. Can.	14	..	..	..
8½	4¾	.	...	Atlan. Sugar	5	5	4¾	4¾
45	40	.	...	Do. pref.	43	..	..	..
175	170¼	10	5.81	Can. Nat.	172¼	172¾	172	172¾
325	290	12+2	4.76	Bk. of Montreal	290½	294	290	292
355	315	16	5.06	Bk. of N. Scotia	317	317	316	316
262	240	12+1	5.30	Bk. of Toronto.	245	245	245	245
30	30	1.50	5.00	Barcelona Tr.	30	..	..	..
10½	8	.	...	Bathurst Pr.	9	..	..	..
4½	3	.	...	Do. (B)	3	..	..	..
26	26	50c	...	Bawlf Grain	26	..	..	..
83	79	6.50	8.22	Do. pref.	79	..	..	..
22½	15	1.60	9.41	Beath & Sons.	17	..	..	..
33	22	2	8.88	Beatty Bros.	22	22½	22	22½
92	85	6	6.81	Do. pref.	88	..	..	..
15½	9¾	.	...	Beauharnois	10	10	9¾	10
130	123	7	5.60	Belding Cort.	125	..	..	..
110	98½	7	7.00	Do. pref.	100	..	..	..
101	90	7	7.60	Belgo C. P. pf.	92	..	..	..
159½	145	8	5.33	Bell Telephone	148¾	151½	147	150½
10½	10½	.	...	Biltmore Hats	10½	..	..	..
85	85	7	8.23	Do. pref.	85	..	..	..
22	16	2	12.50	Bissell	16	..	..	..
97	88	7	7.95	Do. pref.	88	..	..	..
19	15	2	12.50	Blue Ribbon Cp.	16	16	15	16
38	33¼	3.25	9.77	Do. pref.	36	34	33¼	33¼
25	22	2.50	11.36	Brading Brew.	22	..	..	..
24	20	2	9.09	Brant. Cd. pf.	22	22	22	22
55¼	35¾	2+1a	5.03	Brazilian	38½	40½	37¾	40
2	1¼	.	...	Brew. & Distil.	2	..	..	..
23	15¾	80c	4.56	Brit. Amer. Oil.	17	17½	17	17⅛
13¼	5	.	...	B.C. Packers	6½	6¼	6¼	6¼
58	56	7	12.28	Do. pref.	56½	57	56	57
45½	35	2	5.29	B. C. Power	37	37¾	35¾	37½
26½	15	.	...	Do. (B)	16½	15½	15	15
3¾	1	.	...	B. E. Steel	2	2	1½	2
41	25	.	...	Do., 1st pref.	26	27½	27½	27½
8	3½	.	...	Do., 2nd. pref.	4	4	3¾	3¾
x20	20	25c	...	Brit. & For. Inv.	20	..	..	..
31½	22½	2	7.14	Brompton	27	29	27	29
26¾	17	1	5.71	Bruck Silk Mills	17½	..	..	..
29¾	20	2	9.30	Building Prod.	22	22½	20	22
56	44¼	3+50	7.77	Burt, F. N.	47	47	45	45
198	150	6	4.00	Calgary Pr.	150	160	150	150
19½	11	75c	6.81	Can. Bread	12	12	11	11
120	112	7	6.91	Do. pref. (A)	114	113	113	113
106	95	7	7.17	Do. pref. (B)	98	97½	95	95
12	8	1	9.09	Canada Bud.	11½	11½	11	11
19¼	12¾	.	...	Can. Cement	15	15	14¾	15
98	91¼	6.50	6.98	Do. pref.	93½	96	93	93
b75⅜	56	5	7.84	Canada Dry	60	64	59½	64
20	16	1.50	...	Can. Forg. (A)	16	..	..	..
16	8	.	...	Do. (B)	16	..	..	..
68	40	3	4.61	Canada Iron	67	65	65	65
90	85	6	6.89	Do. pref.	87	..	..	..
6	6	.	...	Can. Machinery	6	..	..	..
30	30	.	...	Do. pref.	30	..	..	..
20⅝	15	1.50	8.69	Can. Malting	16½	17¼	17	17
21	16	60c	3.00	Can. Nor. Pr.	20	..	..	..
106	99	7	6.73	Do. pref.	105½	104½	104	104½
20	4	.	...	Can. Paving	5	4	4	4
94	71	7	9.85	Do. pref.	71	..	..	..
230	216	12	5.55	Can. Perman.	216½	216	216	216
19⅛	10¼	.	...	Can. Pr. & Pap.	14	14⅝	14	14
20	16	.	...	C. Pr. & P. Inv.	18	16	16	16
19	12	.	...	Can. Steam	15	12½	12	12½
73⅜	38	6	14.28	Do. pref.	54	52	38	43¼
26¼	18½	1.60	8.20	Can. Vinegar	19¼	19½	19½	19½
82	74½	4	5.33	Can. W. Cable.	75¼	75	75	75
41	25	.	...	Do. (B)	31	..	..	..
39	25	.	...	Can. Bakeries	25	..	..	..
99	93¾	7	7.36	Do. pref.	95	95	95	95
275	240	12+1	5.37	Can. Bk. of Com.	242	242	240	242
11¾	6¼	1	12.90	Can. Brewing	6¾	7¾	6¾	7¾
57	35	2.50	6.49	Can. Bronze	39	39½	38½	39½
111	109¼	7	6.36	Do. pref.	110	..	..	..
22¼	17¼	1	5.71	Can. Canners	17½	17½	17¼	17½
94	86	6	6.50	Do. 1st pref	92¼	93	92¼	92¼
22½	18	1	5.40	Do. 2nd pref.	18½	18½	18	18¼
32	16	1.75	8.69	Can. Car & Fdy.	20¼	20¼	19½	20
33	21½	1.75	6.73	Do. pref.	25	26	25	26
17	8¾	.	...	Can. Celanese	12	8¾	8¾	8¾
68¾	51	.	...	Do. pref.	58¼	61	59	59
76½	70	5	7.14	Can. Convert.	70	..	..	..
x110	108	.	...	Can. Cottons	108	..	..	..
83	65	6	9.23	Do. pref.	65	..	..	..
43	30	3	9.09	Can. Dredge	32	32⅞	31½	32
x260	162	7	...	Do. pref.	162	..	..	..
83½	80	6	7.18	Can. Fairb., pf.	83⅝	..	..	..
20	20	.	...	Can. For. Inv.	20	..	..	..
90	90	8	8.88	Do. pref.	90	..	..	..
420	260	3	0.92	Can. Gen. Elec.	325	..	..	..
65½	58	3.50	5.46	Do. pref.	62¼	64	61½	61⅝
80	75	3	4.00	Can. Gen. Inv.	75	..	..	..
92½	81	6	6.89	Can. Hyd. E. p.	88	87½	87	87
8½	5	.	...	Can. Int. I. Tr.	5½	6	5¼	5½
11¼	4	.	...	Do. (B)	4	5½	4⅝	5⅛
8½	5	.	...	Can. Ind. I. Tr.	7	6	6	6
82	76½	5	6.53	Do. pref.	76½	..	..	..
40½	31	.	...	Can. Lt. & Pr.	32	..	..	..
25	25	.	...	Can. Locomo.	25	..	..	..
76	25	.	...	Do. pref.	25	30	30	30
b 9¼	3	.	...	Can. Marconi	4¼	4⅞	4	4⅞
34½	20	1	4.00	Can. Oil	23	25	24	24
123	115¼	8	6.66	Do. pref.	118	120	120	120
230	184	10	5.36	Can. Pacific	187	188¾	186	187
58	46	.	...	Do., new	47¼	48	46	48
10	2½	.	...	Can. Vickers	2½	3	3	3
65	41½	.	...	Do. pref.	41½	..	..	..
6¾	3⅞	50c	12.50	Can. Wineries	5	4	3⅞	4
18	15½	1.50	9.23	Can. Wire Box.	16½	16¼	16	16
6¾	2¾	.	...	Carling Brew.	3	3	2¾	3
27	22	2	8.69	Catelli Mac. A.	23	..	..	..
10	9	.	...	Do. (B)	10	..	..	..
330	324	12+3	4.59	Cent. Can. Loan	327	..	..	..
9.00	4.30	.	...	Chem. Research	5.75	5.50	5.05	5.30
65½	46	2	3.44	City Dairy	55	61⅝	54	58½
155	120	7	5.83	Do. pref.	120	..	..	..
25	13	1.50	10.00	Cockshutt	15¼	15½	15	15⅛
2	2	.	...	Col. Invest.	..	2	2	2
6	2	.	...	Comm. Alco.	3	..	..	..
18	15	1	6.66	Conduits	15	..	..	..
106	104	7	6.73	Do. pref.	104	..	..	..
26	10½	1	8.00	Cons. Bakeries	12	12½	12¼	12¼
4	1	.	...	Cons. Food Prod.	1	1½	1¼	1¼
10	10	.	...	Do. pref. (A)	10	..	..	..
34	25	2	6.06	Cons. Press	32	33	33	33
87	82	7	8.53	Cons. Sand, pf.	82	..	..	..
280	175	12.50	6.25	Cons. Smelters	196	202	183	200
1.80	.01	.	...	Do. Rights	.08	.05	.01	.04
183½	175	10	5.55	Consumers Gas	180	180	179	179
x45	20½	.	...	Cooksville Co.	40	..	..	..
85	85	4	4.70	Do. pref.	85	..	..	..
90	90	7	7.77	Corr. P. Box, p.	90	..	..	..
1⅞	1	.	...	Cosgrave Br.	1	1	1	1
21½	10	.	...	Cosmos	11	11	11	11
97½	94	7	7.36	Do. pref.	95	..	..	..
11	4¾	.	...	Crown Dom. Oil	7	7	6¾	7
46	29	6	20.69	Crow's N. Coal.	29	..	..	..
1⅜	⅝	.	...	Cuban Sugar	1	..	..	..
3½	2	.	...	Do. pref.	2	..	..	..
4	1	.	...	Curtiss-Reid	1¼	1¼	1¼	1¼
8	5	.	...	Do. pref.	6½	..	..	..
11	5	.	...	David & Frere B	5	6½	5	5
12⅛	8	80c	8.00	De Forest	9½	10	9½	10
16	12	25c	...	De Havilland	12	..	..	..
x90	87	7	...	Do. pref.	90	..	..	..
.50	.50	.	...	Detroit Rly.	.50	..	..	..
15	14	.	...	Disher Steel	15	15	15	15
18	18	1.50	8.33	Do. pref.	18	18	18	18
12¼	8	1	10.25	Distill-Seagram	10	10	9⅜	9½
243	225	12+1	5.77	Dominion Bank	225	225	225	225
83	44½	3.60	7.05	Dom. Bridge	50	51½	49½	51½
70	50	.	...	Dom. Coal	50	..	..	..
82	49	4	7.01	Dom. Engineer.	57	..	..	..
14	10	.	...	Dom. Foundries	10	..	..	..
90¼	76	1.50	...	Do. pref.	90¼	..	..	..
141	100	7	6.48	Dom. Glass	109	110	108	108
122	115¼	7	5.83	Do. pref.	120	..	..	..
36½	20	.	...	Dom. Iron, pf.	30½	..	..	..
52	40	.	...	Dom. Park	40	..	..	..
74	38	.	...	Dom. Power	65	..	..	..
103	94	.	...	Do. pref.	99½	100	99	99
x100	95	7	7.29	Dom. Rub., pf.	96	..	..	..
52¼	30¾	.	...	Dom. Steel, pf.	37	30¾	30¾	30¾
14	7¾	.	...	Dom. St. & C.B.	7¾	8½	7¾	8
30¼	18	1.20+4a	6.00	Dom. Stores	18½	21	18½	21
23	13	.	...	Dom. Tar & Ch.	18½	13	13	13
97	88¾	6.50	7.14	Do. pref.	93	92	91	91
80	60½	5	7.69	Dom. Textile	65	65½	64¾	65
120	115	7	5.93	Do. pref.	119	118	118	118
27⅛	18	.	...	Donnacona	19	18	18	18
19	6	.	...	Dryden Paper	8½	10	8	10
25	15	.	...	Duff. Paving	21½	19	19	19
99	84	7	8.33	Do. pref.	84	84	84	84
10	4	40c	8.88	Durant	5	4¾	4½	4½
29	19	.	...	East Dairies	19	..	..	..
35	29	2.50†	...	East Steel	30	30	30	30
100	97	7	7.14	Do. pref.	98	..	..	..
25	22½	.	...	East Koot.	23	..	..	..
96	86	7	7.29	Do. pref.	96	..	..	..
34	29	2	6.55	East Theatres	30½	..	..	..
85	80	7	8.23	Do. pref.	85	..	..	..
10	7	.	...	Easy Washer	8½	..	..	..
55	45	2.50	5.55	Economic Inv.	48	45	45	45
19	17	1	5.88	Edmonton Dairy	17	..	..	..
90	86	6.50	7.55	Do. pref.	86	..	..	..
31	16	1	6.25	Enamel & Heat.	16	..	..	..
43	37	3	7.89	Eng. Elec.	38	..	..	..
28	20	.	...	Do. (B)	20	20	20	20
63¾	39¼	2	4.65	Fam. Players	42	43	41	43
61¾	37	2	4.87	Do. Vot. Trust	41	..	..	..
21⅛	15	1	6.66	Fanny Farmer	15	15	15	15
32¼	29	2.40	8.17	Do. pref.	30	29⅜	29	29
100	97	7	7.07	Farmers' D'y, p.	97	99	97	99
25	.10	.	...	Federal Distil.	.25	..	..	..
31⅛	31	.	...	Feldspar Glass	31½	..	..	..
83½	75	7	9.33	Firstbrook Box.	75	..	..	..
38½	28	1.50	4.83	Ford Motors (A)	30½	31½	29¼	31
37	25	1	4.00	For. Pr. Secs.	26	25	25	25
16⅛	12	1	8.33	Foundation Co.	12	..	..	..
17½	7¾	.	...	Fraser Cos.	8	8	7¾	8
13⅝	13	.	...	Frost Steel	14	..	..	..
97½	93½	7	7.25	Do. pref.	96½	..	..	..
21¼	7	.	...	Gen. St. Wares.	8	8	7¼	7½
17	17	1.40	...	Goderich Elev.	17	..	..	..
180	120	5+5	8.00	Goodyear	129	125	120	125
109	105	7	6.57	Do. pref.	106½	107	106½	106½
5	1½	.	...	Gt. W. Saddlery	1½	..	..	..
15	15	.	...	Do. pref.	15	15	15	15
41	25	2	6.25	Gurd, Chas.	32	32	31	32
110	110	7	6.36	Do. pref.	110	..	..	..
26	18	1.50	8.10	Gypsum, Lime	18½	18¾	18	18¾
38¾	19½	2	9.75	Ham. Bridge	21	20¾	20	20⅝
90	84	6.50	7.53	Do. pref.	87	86½	86	86
25	23	2	8.69	Ham. Cot., pf.	23	..	..	..
11	5	.	...	Ham. Un. Theat.	5½	..	..	..
82	64	7	9.21	Do. pref.	75	..	..	..
31	14¾	1	...	Hayes Wheel	15	..	..	..
95	90	7	7.52	Do. pref.	93	..	..	..
50	50	6	12.00	Hillcrest Coll.	50	..	..	..
91	91	7	7.69	Do. pref.	91	..	..	..
17	5	.	...	Hinde & Dauch	5	6	6	6
120	120	3	2.50	Holt Renfrew	120	..	..	..
96¼	93	7	7.44	Do. pref.	94	..	..	..
13	6½	.	...	Honey Dew	7	..	..	..
64	57	7	12.06	Do. pref.	58	..	..	..
x21	16⅞	.	...	Howe Lumber	19	..	..	..
25	20	2	9.75	Humberstone	20¼	..	..	..
28	20	1+50	7.31	Hunt (A)	20	20½	20½	20½
30	20	1+50	6.59	Do. (B)	22¾	..	..	..
157	150	8	5.33	Huron & Erie M.	150	..	..	..
31	29	.	...	Do. 20% paid.	29½	..	..	..
55	37	2	5.40	Hydro Electric	38½	37½	37	37
245	226	12+1	5.48	Imperial Bank	237	..	..	..
29¾	18	50c	2.43	Imperial Oil	20	21	20	20¾
10½	9	35+10	4.67	Imperial Tob.	9¼	9⅝	9	9½
53¾	35	1/50a	...	Int. Hyd. E. A.	36	36¼	36	36
105	100	7	6.93	Inter. Mill., pf.	100	101	100	100
90	88	6	6.66	Do. Series A.	88	..	..	..
44½	20¼	1	4.08	Inter. Nickel	23⅛	24¾	22⅞	24½
.40	.24	.	...	Do. Rights	.31	.32	.26	.30
17½	12	1.50	10.00	Inter. Paints A.	15	..	..	..
31	26⅞	2.40	8.57	Int. Pap & Pr.	26⅞	..	..	..
20½	18½	.	...	Do. (B)	20½	..	..	..
16⅞	14½	.	...	Do. (C)	14½	..	..	..
88	82½	7	8.45	Do. pref.	82¾	..	..	..
24	17⅞	1	5.33	Inter. Pete.	18	19	17¾	18¾
18	12	.	...	Inter. Power	13½	14	13	14
91	79	7	8.23	Do. pref.	85	85	85	85
51	34¾	3.50	8.14	Int. Util. (A)	43	43	41½	41½
19	7	.	...	Do. (B)	15	..	..	..
43	33	.	...	Jam. Pub. Ser.	40	..	..	..
110	108	7	6.36	Do. pref.	110	..	..	..
11	4	.	...	Kelvinator	5½	5	5	5
83½	73	7	8.43	Do. pref.	83	..	..	..
x17	15	.	...	Kemsley Mil.	..	..	..	..
40	40	.	...	King Ed. Hotel	40	..	..	..
1½	¾	.	...	Lake Ont. Brew.	1	..	..	..
47	35	3.20	8.88	Lake of Woods.	35	36	36	36
122	115	7	6.08	Do. pref.	122	115	115	115
15	7¾	.	...	Lake Sup. Corp.	9	9½	8½	9½
185	180	10	5.40	Landed Banking	185	..	..	..
48	38	3	7.31	Laura Secord	38	41	39½	41
27	18½	1	5.40	Lindsay, C. W.	18½	..	..	..
85	78	6.50	8.33	Do. pref.	78	78	78	78
15¾	11	80c	6.15	Loblaw (A)	12¼	13	12	12½
15¼	11	80c	6.66	Do. (B)	11½	12	12	12
45	35	.	...	Loew's, Marcus	35	..	..	..
84	75	.	...	Do. pref.	75	..	..	..
2¾	2¾	.	...	Loews, London	2¾	..	..	..
40	40	.	...	MacKin. Steel	40	..	..	..
96¼	90	7	7.77	Do. pref.	90	90	90	90
36	36	2	...	Manitoba Pr.	36	..	..	..
15	13	.	...	Maple Leaf	15	..	..	..
106⅛	92	7	7.36	Do. pref.	93	95	93	94
80	80	6	7.50	Do. (B)	80	..	..	..
45	24¾	3	11.32	Massey-Harris	26¼	26¾	26	26
28¾	16	60c	3.24	McColl Fron.	18½	19	18	19
88	76½	6	7.14	Do. pref.	84	..	..	..
80	70	.	...	Mexican L. & P.	71½	..	..	..
25	25	.	...	Mercury Mills	25	..	..	..
89	70	6	8.57	Do. pref.	73	70	70	70
41	40	.	...	Mitchell, J. S.	40	..	..	..
104	104	7	6.73	Do. pref.	104	..	..	..
33	20	1	5.00	Mitchell, Robt.	23¼	20¼	..	20¼
x20	20	.	...	Monarch Knit	20	..	..	..
65	58	7	11.66	Do. pref.	60	..	..	..
184	103	6	5.82	Montreal Cot.	103	..	..	..
117	99¾	7	7.77	Do. pref.	99¾	..	..	..
9	3	.	...	Montreal Ex.	7	..	..	..
39	35	.	...	Mont. Is. Pr.	35	..	..	..
77	52½	1.50	2.68	Mont. L. & P.	55	58⅝	54¼	58¼
50	48	3+25	6.77	Montreal Loan	48	..	..	..
55	48	3.20	6.15	Montreal Tele.	52	52	52	52
175½	167	10	5.71	Mont. Trams.	167½	175	175	175
28½	20½	1	4.65	Moore Corp., c.	21	21½	21½	21½
126	103	7	6.66	Do. (A)	105	105	103	104
170	125	7	5.55	Do. (B)	125	126	126	126
5.37½	5.00	.	...	Mtge. Dis. pf.	5.00	..	..	..
10	10	.	...	Mt. Royal Hotel	10	..	..	..
49	49	.	...	Do. pref.	49	..	..	..
4	2½	10c	...	Muirheads	2½	..	..	..
8¾	8½	75c	...	Do. pref.	8¾	..	..	..
x9	.60	.	...	Municipal Ser.	.60	..	..	..
35½	26½	1.60	5.24	Nat. Brew.	30	30½	29⅞	30⅝
32	25	1.75	6.03	Do. pref.	30	29	29	29
10	4	.	...	Nat. Brick	4	4	4	4
29½	25	3	12.00	Do. pref.	25	25	25	25
5	1	.	...	Nat. Distilleries	1	..	..	..
105	100	8	7.61	Nat. Groc., pf.	102½	105	103	105
76⅛	44	2	4.44	Nat. Steel Car.	46	45	45	45
380	340	14	3.73	National Trust	375	..	..	..
21	19	1.50	7.89	Niag. W. Weav.	20	19	19	19
45	41¼	3	7.27	Do. pref.	41¼	..	..	..
90	89¾	2	2.22	Nor. Mex. Pr.	90	..	..	..
90	81½	7	8.43	Do. pref.	83	..	..	..
16.00	7.50	.	...	North Star Oil.	7.50	..	..	..
5.00	4.90	35c	7.14	Do. pref.	4.90	..	..	..
25	22¼	.	...	N.S. Steel, pref.	22¼	..	..	..
450	325	8	2.39	Ogilvie	325	335	335	335
130	124½	7	5.60	Do. pref.	125	..	..	..
40	27	6	2.10	Ont. Eq. 10% p.	27½	..	..	..
130	118	6	4.87	Ontario Loan	123	..	..	..
22	16	.	...	Ont. Silknit	16	..	..	..
22	18	1.60	8.00	Ont. Steel	20	..	..	..
x108	105	7	...	Do. pref.	107	..	..	..
3	1	.	...	Orange Crush	2¾	2¾	2¾	2¾
66	45	7	11.66	Do. (A)	60	..	..	..
15	7⅞	.	...	Do. (B)	9	..	..	..
100½	87	6	6.00	Ott. L. H. & Pr.	100	100	100	100
105	100	6.50	6.19	Do. pref.	104½	105	105	105
34	30	.	...	Ott. Traction	30	30	30	30
105	81½	5	5.61	Page Hersey	85¼	89	86	89
x264	250	7	...	Do. pref.	264	..	..	..
70	52	4	7.27	Paramount	52½	55	55	55
50	50	.	...	Paton Mfg.	50	..	..	..
95	95	.	...	Do. pref.	95	..	..	..
3	1	.	...	Pelissiers	2	1½	1½	1½
68¾	60	7	11.66	Do. pref.	60	..	..	..
77	58¾	4	6.78	Penmans	60	59	58¾	58¾
102	99¾	6	5.94	Do. pref.	101	..	..	..
2¼	1	.	...	Perfection Glass	1¼	1¼	1	1
28½	20	2	9.52	Photo Eng.	22	21	21	21
91	80	7	8.75	Port Alfred, pf.	80	..	..	..
x67	67	2½	...	Porto Rico Rly.	67	..	..	..
92	84	7	8.33	Do. pref.	84	..	..	..
101	100⅞	7	6.98	Postal Tele.	100⅞	..	..	..
90	64½	1	1.49	Power Corp.	68	69	65¾	69
101⅞	93	6	5.91	Do. pref.	101	101½	100⅛	100¼
14	7	1	10.52	Prairie C. Oil.	11	10½	9	9½
24	14½	1	6.84	Pressed Metals	16	15⅝	15¾	15¾
84	60½	2	3.30	Price Bros.	62	62⅛	60½	62⅛
107¼	99	6.50	6.19	Do. pref.	105	..	..	..
16¼	16¼	90c	...	Pub. Util. Inv.	16¼	..	..	..
70½	52	2.50	4.67	Quebec Power	56	55½	52	55½
112	110	7	6.36	Real Estate Ln.	110	..	..	..
6	2	.	...	Regent Knit	3	4	3½	4
20	5	.	...	Reliance Grain	6½	..	..	..
25	19	2	10.52	R. S. Mills	19	..	..	..
26	20⅝	1.50	7.27	Robinson Cone	20⅝	..	..	..
x72	61	4	...	Rogers, Wm.	72	..	..	..
x100	92	7	...	Do. pref.	99	..	..	..
315	290	12+2	4.79	Royal Bank	290	293	290	290
96	91¾	7	7.52	Ruddy, E. L., p.	93	..	..	..
96	90	5+1	6.66	Russell Motor	90	90	90	90
100½	96	7	7.00	Do. pref.	100	..	..	..
24½	20	2	10.00	Sarnia Br. (A)	20	..	..	..
12	5	25c	...	Do. (B)	6	..	..	..
54	34½	2.60	6.26	Serv. Stn. Eq.	40¼	41¾	39½	41⅜
115	99	6	5.94	Do. pref.	100	101	101	101
82½	61	2.50	3.70	Shawinigan	66¼	68	64¾	68
39	29	1.80	5.00	Sher.-Wms.	30	36	32¾	36
122	116	7	5.88	Do. pref.	119	119	119	119
44½	30	2.50	7.81	Simon & S.	32	..	..	..
102	97	7	7.00	Do. pref.	100	..	..	..
95½	89	6½	6.98	Simpson, Ltd.	92¾	93	92½	93
55	50	2	4.00	Do. (A)	50	50	50	50
37½	33	.	...	Do. (B)	34	34	34	34
108	100	6	5.68	Simpson, R., pf.	104½	105½	105½	105½
22	8	.	...	Smith Paper	9	9	8	8
84	80	6	7.31	Do. pref.	82	..	..	..
38	27½	.	...	St. Law. Flour.	27½	..	..	..
87	86	7	8.14	Do. pref.	86	..	..	..
13	6½	.	...	St. Law. Paper.	10	10	8½	9⅞
72	60	6	8.66	Do. pref.	68	69¼	68	69
91	80	7	8.43	St. Maur. V. pf.	83	83	82½	82½
37½	24	1	3.50	So. Can. Pr.	29	29	27	29
106½	103½	6	5.71	Do. pref.	106	105⅛	105	105⅛
14	14	.	...	Sprucolite	14	..	..	..
26½	15	2	11.76	St. Pav. & Mat.	16¼	17	16	16
95	84	7	8.33	Do. pref.	84	..	..	..
3	3	.	...	Stanfords	3	..	..	..
x87	73	7	...	Do. pref.	83	..	..	..
34	15	2+1	...	Stand. Chem.	21	15	15	15
15½	7½	.	...	Stand. Steel	9	8	7½	7½
42½	37	3	7.89	Do. pref.	39	38	38	38
50	39⅞	1.75	4.16	Steel of Can.	42	42	40½	42
41½	36	1.75	4.73	Do. pref.	42	39	36	36
15	3½	.	...	Sterling Coal	6½	..	..	..
43½	24	80+20	2.94	Super Pet. Ord.	34½	34½	33½	34
101	95	7	7.00	Do. pref.	98	100	100	100
45	24	80+20	3.03	Do. com.	33	..	..	..
65	50	.	...	Tamblyn	51	..	..	..
102	98	7	6.96	Do. pref.	100	100½	100½	100½
40	35	3.50	10.00	Thayers, pref.	35	..	..	..
39	30	.	...	Tip Top Tailors	37½	38½	35	35
108	100¼	7	6.76	Do. pref.	104	104	103½	103½
30	27	.	...	Tooke Bros.	27	..	..	..
80	77	7	8.75	Do. pref.	80	..	..	..
21	17	.	...	Tor. Elevators	17	..	..	..
255	220	12	5.45	Tor. Gen. Trusts	240	225	220	220
125	109	6	5.45	Toronto Mtge.	110	110	110	110
4	1	.	...	Traymore	3	..	..	..
12	9	1.40	...	Do. pref.	11½	..	..	..
295	180	4+2	2.06	Tuckett Tob.	290	..	..	..
125	113	7	5.83	Do. pref.	116½	120	117½	120
32½	10	2 (scrip)	...	Twin City	10½	..	..	..
x96½	96½	7	7.25	Do. pref.	96½	..	..	..
30½	25	1.65	6.34	Union N. Gas	32½	26½	26	26½
130	122	7+1	6.15	Union Trust	130	..	..	..
20	13½	.	...	United Fuel	17	..	..	..
80	73	6	7.59	Do. pref.	79	79	79	79
66½	48	.	...	United Secs.	66½	65½	64	65½
9½	1	.	...	Vacuum Gas	6½	6½	5	6
15	8	.	...	Viau Biscuit	8	..	..	..
85	81	7	8.64	Do. pref.	81	..	..	..
x58	38	.	...	Wabasso	38	..	..	..
13⅝	8	1	11.11	Waker-Good.	8⅞	9⅛	8¾	9⅛
16½	12½	1	7.54	Waterloo Mfg.	14½	15	13	13
44½	18	1	2.94	Weston	35	35	33½	33½
91½	89	7	7.69	Do. pref.	91	..	..	..

Listed Bond Quotations

Week Ending July 14

Montreal	Int. Rate	Due	Latest Yield	Latest Ask	High	Low	Range, 1930 High	Range, 1930 Low
Abitibi, 1st Mtge.	5	1953	6.19	†85	85¾	85¼	88½	83
Asbestos	5	1942	4.45	105	...	...	105	99½
Asbestos, 1st mtge.	6	1941	...	75	...	...	81	50
Do., gen. mtge.	6	1956	...	28	25	...	41	25
Calgary Power	5	1940	...	†103	...	...	x97	94
Can. Cons. Rub.	6	1946	5.75	104	...	...	102⅝	102⅛
Can. Cottons	5	1940	...	93	...	...	x98	94
Can. Forgings	6	1942	...	...	...	...	...	...
Can. Locomotive	6	1951	6.34	98	...	...	x100½	97
Can. Pr. (Laur. ser.)	5½	1958	9.05	64½	64¼	63	75½	63
Do., Way. ser.)	5½	1958	9.05	63¾	64	...	74½	64
Can. S.S. deb.	5	1943	5.65	†97	94	...	98¼	94
Cedar Rapids	5	1953	4.96	†100⅜	...	...	100⅛	99⅝
Dom. Canners	6	1940	...	†102½	...	...	x104	...
Dom. Coal	5	1940	5.38	†97	...	...	97¼	95⅞
McNish	6	1948	...	3.00	2.99	...	3.55	2.99
Mex. Elec.	5	1942	...	...	...	...	x74	...
Mex. L. & P.	5	1940	...	...	...	...	x75¾	71½
Mont. L. H. & Pr.	4½	1932	5.03	†98⅞	...	...	98⅝	...
Mont. Tr. 1st mtge.	5	1941	5.00	100	100	...	100	96
Mont. Tr. "A"	5	1955	5.40	95¼	95	94⅛	96½	91
Mont. Tr. G.&R. 'B'	5	1955	5.46	95¼	...	...	96	91½
Do., "C"	4½	1955	5.42	86¼	...	...	89	85¼
Do., "D"	5	1955	5.25	85¼	...	...	96½	...
N. S. Steel	5	1959	7.45	...	...	...	71	69¾
Ogilvie Flour "A"	6	1932	6.00	†100	...	...	100	...
Do., "B"	6	1932	6.00	†100	...	...	101	100
Do., "C"	6	1932	4.41	†100¼	...	...	103	100
Ont. Steel	6	1943	...	†105	...	...	x106	104
Porto R. Rly.	5	1936	...	†83	...	...	82	...
Steel of Can.	6	1940	5.22	108¼	...	...	108	105
Wabasso	6	1947	...	97½	...	...	x101	...
Wayagamack	6	1951	6.46	...	...	...	98	95
West. K. Power	6	1940	..	...	...	...	x106	104¾
Wpg. Elec.	5	1935	...	†97	...	...	x94⅝	93
Toronto								
Canada Bread	6	1941	5.87	...	...	...	103⅛	101
Can. Canners	6	1950	...	...	...	...	x102¼	100
Dom. Canners	6	1940	...	...	...	...	...	...
Porto R. Rly.	5	1936	...	...	...	...	...	...
Postal Tel.	5	1953	...	...	...	...	95	88¾
Steel of Can.	6	1940	...	...	...	...	x93	...

† Latest bid.
x Quotations for 1929. None recorded in 1930 to date.

Dominion Govt. Bonds (Montreal)								
War Loan	5	1931	4.58	100.85	100.50	100.15	100.50	99.70
Do.	5	1937	4.45	103.90	103.60	103.00	103.60	100.90
Victory Loan	5½	1933	4.68	102.45	102.50	102.00	102.75	101.85
Do.	5½	1934	4.90	102.30	102.30	101.90	102.35	101.05
Do.	5½	1937	4.49	107.10	106.85	106.40	107.30	103.90
Do., refund	4½	1940	4.81	98.10	97.50	.....	98.40	95.10
Do., refund	5	1943	4.76	102.50	102.40	102.05	102.50	100.35
Do., refund	4½	1944	4.70	98.20	97.80	.....	98.10	95.30
Do., refund	4½	1946	4.67	98.20	98.15	.....	98.40	96.10
Do., renewal	5½	1932	4.96	101.35	101.10	100.70	101.70	100.55

Dividends Declared

	Annual Rate	Div. Declared	Date	Record
Abitibi, pfd.	6%	1½%	July 21	July 10
Bank of Toronto	12+1%	3%	Sept. 2	Aug. 15
Brand.-Henderson, com.	2%	½%	Aug. 1	July 2
Belding Corticelli pfd.	7%	1¾%	Sept. 15	Aug. 30
Beatty Bros., pref.	6%	1½%	Aug. 1	July 15
Brazilian Tr., com.	$2	50c	Sept. 2	July 31
B. C. Pulp, pref.	7%	$1.75	Aug. 1	July 15
Blue Ribbon Corp., pfd.	6½%	81c	Aug. 1	July 13
Calgary Power, pref.	6%	1½%	Aug. 1	July 15
Can. Dredge, com.	$3	75c	Aug. 1	July 16
Do., pref.	7%	1¾%	Aug. 1	July 16
Can. Investors	$1	25c	Aug. 1	July 15
Can. Bronze, com.	$2.50	62½c	Aug. 1	July 21
Do., pref.	$7	$1.75	Aug. 1	July 21
Can. Brewing	$1	25c	July 18	July 3
Canadian Car, com.	$1.75	43c	Aug. 30	Aug. 15
Canada Nor. Power, com.	60c	15c	July 25	June 30
Can. Industries, com.	$2.50	62½c+75c	July 31	June 30
Can. Gen. Invest.	..	$1	Aug. 1	July 15
Can. Converters	5%	1¼%	Aug. 15	July 31
Can. Pr. & Paper Invest. pfd.	5%	1¼%	Aug. 15	July 19
Cockshutt Plow	$1.50	37½c	Aug. 1	July 15
Consolidated Press	$2	50c	Aug. 1	July 15
De Forest Crosley	80c	20c	Aug. 1	July 15
Dodge Mfg. "A" pref.	$2	50c	Aug. 1	July 24
Dom. Bridge	$3.60	90c	Aug. 15	July 31
Disher Steel, pref.	$1.50	37½c	Aug. 1	July 15
Dome Mines	$1	25c	July 21	June 30
Dominion Tar, pref.	6½%	1⅝%	Aug. 1	July 17
Eastern Theatres, com.	$2	50c	Sept. 1	July 31
Eastern Theatres, pref.	7%	3½%	July 31	June 30
Enamel & Heat. com.	$1	25c	Aug. 1	July 15
Foreign Pr. Secs., pref.	6%	1½%	Aug. 15	July 31
Foundation Co.	$1	25c	Aug. 15	July 31
Frost Steel, 1st pfd.	7%	1¾%	Aug. 1	July 15
Do., Pref. "A"	7%	1¾%	Aug. 1	July 15
Federal Grain, pref.	6½%	1⅝%	Aug. 1	July 15
Gen. Steel Wares, pfd.	7%	1¾%	Aug. 1	July 15
Granby Cons., com.	...	75c	Aug. 1	July 18
Hamilton Bridge, pfd.	6½%	1⅝%	Aug. 1	July 15
Do., com.	$2	50c	Aug. 1	July 15
Humberstone Shoe	$2	50c	Aug. 1	July 15
Imperial Bank	12+1%	3%	Aug. 1	June 30
Inter. Utilities, pref.	$7	$1.75	Aug. 1	July 18
Inter. Nickel, pref.	6%	1½%	Aug. 1	July 2
Inter. Power & Paper "A"	$2.40	60c	Aug. 15	Aug. 1
Inter. Paper, com.	$2.40	60c	Aug. 15	Aug. 1
London Can. Invest., pref.	5%	1¼%	Sept. 1	Aug. 15
Maple Leaf Mill., 1st pfd.	7%	1¾%	July 18	July 17
MacKinnon Steel pfd.	7%	1¾%	Aug. 1	July 16
Mercury Mills, pref.	6%	1½%	Aug. 1	July 15
Mansfield Theatre, pfd.	7%	3½%	July 31	June 30
Manitoba Power	...	$1	Aug. 1	July 10
Muskoka Lakes Nav.	...	5%	Aug. 1	July 1
Montreal L. H. & Pr. (new)	$1.50	38c	July 31	June 30
Nipissing Mines	6%	1½%	July 21	June 30
Northern Ont. Power, pfd.	6%	1½%	July 25	June 30
Do., com.	$2	50c	July 25	June 30
Ont. Equitable	6%	3%	Aug. 1	July 15
Penmans, com.	$4	$1	Aug. 15	Aug. 5
Do., pref.	6%	1½%	Aug. 1	July 21
Power Corp., com.	..	$1	July 25	July 5
Russell Motor Car, com.	5%	1¼%	Aug. 1	July 17
Do., pref.	7%	1¾%	Aug. 1	July 17
Service Stn. Equip. pfd.	$6.00	$1.50	Aug. 1	July 15
Southern Can. Pr., com.	$1	25c	Aug. 15	July 31
Steel of Canada, com.	$1.75	43¾c	Aug. 1	July 7
Do., pref.	$1.75	43¾c	Aug. 1	July 7
Simpsons Ltd., pfd.	6½%	1⅝%	Aug. 1	July 15
Do., Class "A" com.	$2	50c	Aug. 1	July 15
St. Law. Flour Mills, pfd.	7%	1¾%	Aug. 1	July 19
Teck Hughes	60c	15c	Aug. 1	July 17
Union Natural Gas	...	35c+5c	Sept. 10	July 15
Western Steel Prod., pfd.	6½%	1⅝%	Aug. 1	July 15
Winnipeg Elec., com.	...	$1	Aug. 1	July 10
Waterloo Mfg.	$1.00	25c	Aug. 1	July 15
Western Breweries	.	1%	Aug. 1	July 14

Winnipeg Grain Prices

Week to July 14

High Crop Year	Low		Open July 9	High for week	Low for week	Close July 14
		Wheat				
1.55	.92⅛	July	.95¾	.97⅜	.92⅛	.92¼
1.44¼	.96	October	.99⅜	1.01⅜	.96	.97¾
1.18⅞	.97⅞	December	1.01⅝	1.03⅜	.97⅞	.99½
		Oats				
.71⅜	.40¼	July	.42½	.44½	.42	.44¼
.60½	.40⅜	October	.43⅜	.44	.42½	.43½
.48¾	.41⅜	December	.43½	.44	.42½	.43⅜
		Barley				
.76	.35⅝	July	.39	.39	.37½	.38⅝
.60	.93	October	.41⅞	.42½	.40⅞	.42
.52	.41½	December	.44¼	.44¾	.43¼	.44⅜
		Flax				
2.91	1.69	July	...	1.80½	1.69	1.72
2.35	1.62¾	October	1.72	1.73½	1.62¾	.168
1.82½	1.62¾	December	1.71	1.73½	1.62¾	1.67½
		Rye				
1.04⅝	.44½	July	.50¼	.51¼	.47⅛	.40
.84	.48¾	October	.53⅜	.54⅞	.50⅞	.52⅝
.71	.52½	December	.56¾	.57¾	.53¼	.55⅝

Montreal, Toronto and Curb Stocks

Range 1930 High	Low	Divd. Rate $	Yield in % July 12		Close July 7 (or last)	Week Ending July 14 High	Low	Close
25	17	1.40	7.77	West. C. Flour.	18	18	18	18
104	100	6.50	6.37	Do. pref.	101	102	102	102
23	17½	.	...	West. Grocers	17½	..	..	..
68	61	7	11.47	Do. pref.	61	..	..	..
41	25	50c	...	West. St. Prod.	25	..	..	..
96½	90	6.50	6.91	Do. pref.	94	..	..	..
9	9	.	...	Whittall Can.	9	..	..	..
9¾	7½	.	...	Wm. Alloy Prod.	7½	..	..	..
25	20	.	...	Windsor Hotel	20	20	20	20
82½	79	6.50	8.22	Do. pref.	80	79	79	79
54	38	2	4.93	Winnipeg Elec.	41	41	39½	39½
103	98¼	7	6.93	Do. pref.	101	101	100	101
x30	30	.	...	Woods Mfg.	30	..	..	..
74	74	7	9.45	Do. pref.	74	..	..	..
85	81	7	8.64	Wood, A&J, 1pf.	81	..	..	..
2½	1½	.	...	Zimmerknit	1¾	..	..	..
25	4	.	...	Do. pref.	10	10	10	10

x Quotation for 1929. No sales recorded in 1930 to date.
† $1 each for 1928 and 1929 and 50c interim. a. Stock dividend
b. New York quotations.

Unlisted Canadian Securities

(Furnished by A. J. Pattison, Jr. & Co. Ltd.)
July 15th, 1930

Industrial Stocks	Bid	Ask
Allens Beach pfd.	$47.00	$....
Allens King. pfd.	48.00	....
Allens London pfd.	48.00	....
Border Cities Hotel pfd.	....	16.50
Brand. Hend. com.	29.00	34.00
Brand. Hend. pfd.	86.00	91.00
B. C. Packers pfd.	55.00	58.00
B. C. Pulp & Paper com.	3.50	6.50
B. C. Pulp & Paper pfd.	67.00	71.00
Burns pfd. Bonus 25% com.	....	75.00
Canada Biscuit pfd.	....	26.00
Can. Crushed Stone pfd.	69.00	....
Can. Machy. com.	6.00	9.50
Can. Machy. pfd.	31.50	....
Can. Packers, com.	31.00	....
Can. Pack. 7% pfd.	98.00	100.00
Can. Wire & Cable pfd. W.W.	100.00	....
Can. Indust. com. "A"	125.00	160.00
Can. Indust. com. "B"	125.00	130.00
Can. Indust. pfd.	114.00	119.00
Can. Invest. com.	14.00	17.50
Can. West. Nat. L. H. & P. pfd.	91.00	....
Can. Westinghouse	87.00	92.00
Chase, A. W. pfd.	46.00	51.00
Chase, A. W., com.	.40	....
Clifton Co. Ltd.	120.00	150.00
Copeland Flour pfd.	13.00	....
Dom. Alloy pfd.	1.00	2.00
Dom Alloy com.	....	.50
Dom. Mfg. pfd.	75.00	....
Dom. Mfg. com.	7.00	....
Dom. Sugar com.	18.00	23.00
Dom. Woollens com.	....	7.00
Dunlop Tire 7% pf.	100.00	....
Durant Acceptance	13.50	15.50
East. Car pfd.	....	75.00
Gen. Stl. W. 7% pf.	....	80.00
Goderich Elevator	15.00	18.50
Greening W. 7% pf.	98.00	....
Guardian Real. pfd.	54.00	....
Hard. Carpet com.	....	7.50
Hard. Carpet pfd.	....	67.00
Inter-City Bak. c.	70.00	....
Inter. Prop. "A"	31.00	34.00
King Edw. Htl. "A" 8%	49.00	54.00
King Edw. Htl. "B" 8%	44.00	....
Kingston Shipbuilding pfd.	15.00	20.00
Do., com.	6.50	9.00
Lake St. John com	....	10.00
Loew's London c.	....	2.25
Loew's London p.	....	5.25
Mansfield com.	50.00	....
Mansfield pfd.	63.00	....
Massey-Harris pfd.	76.00	....
Milton Brick pfd.	20.00	27.00
Nat. Grocers com.	1.30	....
Nat. Groc. 2nd pfd.	33.00	43.00
N. B. Power 1st pfd.	56.00	....
N. Ont. Pow. pfd.	83.00	....
N. S. Power pfd.	88.00	....
Para. Kitch. pfd.	30.00	....
Para. Oshawa pfd.	42.00	....
Prov. Paper pref.	91.00	....
Rogers Majestic	14.00	18.00
Stand. Clay Pro. c.	32.00	....
Supertest B. pref.	14.00	18.00
Stand. Fuel pfd. bonus	82.00	86.00
Toronto B. Club	....	60.00
Toronto Br. pfd.	68.00	....

	Bid	Ask
Toronto Carp. pfd.	100.00	....
Toronto Carp. c.	120.00	165.00
Willards Choc. pfd.	68.00	73.00
Willards Choc. c.	6.00	....
Trust & Loan Stocks:		
Br. Mtge. & Trust	210.00	233.00
Capital Trust	72.00	....
Chart. Trust & Executor	102.00	108.00
Comm. Finance c.	10.00	....
Comm. Finance pfd.	65.00	....
Deb. & Sec. pfd.	65.00	71.00
Deb. & Sec. com.	87.00	....
Guelph Inv. par $50	61.00	....
Lambton Loan & Savings	76.00	....
London & West. Trust	175.00	....
Midland L. & S.	17.00	....
Mtge. Discount pfd.	4.75	5.50
Mtge. Discount c.	.40	....
Mutual Finance c.	6.00	7.75
Mutual Finance pfd	6.00	7.75
Peoples L. & S.	86.00	....
Premier Trust	85.50	....
Security L. & S.	115.00	130.00
Sherbrooke Trust	114.00	....
Sterling Trust	....	90.00
Trusts & Guarantee	91.00	95.00
Waterloo T. & S.	125.00	....
Insurance Stocks:		
Br. American Assce.	60.00	....
Can. Fire Ins.	85.00	95.00
Can. Nat. Fire	26.00	32.00
Canada Life	675.00	750.00
Capital Life	22.00	28.00
Confed. Life 20% pd.	305.00	....
Cont. Life 20% pd.	76.00	....
Crown Life %	375.00	425.00
Dominion Fire	115.00	129.00
Dom. Can. Gen. Ins.	250.00	300.00
Dom. Life 50% pd.	400.00	....
Excelsior Life, 30% pd.	115.00	125.00
Fed. Fire 25% pd.	40.00	....
Fidelity Ins. of Canada	135.00	155.00
Great West. Life	600.00	700.00
Guar. Co. of N.A.	270.00	....
Halifax Fire	20.00	24.00
Imperial Life	400.00	460.00
Merchants Cas.	....	23.00
Mfg. Life	390.00	420.00
Monarch Life 10% pd.	37.50	42.50
N. American Life	80.00	95.00
Nat. Life 25% pd.	100.00	120.00
Sask. Life	20.00	....
Sovereign Life	48.00	52.00
Sun Life	2100.00	2600.00
Toronto Casualty	6.00	....
Western Assurance	54.00	....
Western Life	15.00	....
Recent London Quotations		
Recent London Quotations		
Brewer Distillers		5s.
Brit. Can. & Gen. Inv.		22½
Br. Contr. Oilfields		3s. 6d.
Can. & For. Sec.		11s. 3d.
Can. West. Lumber		4s.
Hudson's Bay		65s.
Do., 5% pfd.		100s.
International Holding		5¼d.
Wall Paper Mfg.		30s. 4½d.
Pref. 5%		17s. 3d.

The Canadian General Securities furnish the following quotations:

	Bid	Ask
Can. Gen. Inv. Trust	82	86
Traders Fin. "A" pfd.	96	100
Traders Finance "B"	97	101
Traders Finance, com.	21	30

Flood, Barnes Active Bond Prices

July 14th, 1930

	Price	Next Interest Date	Yield
Abitibi Power & Paper 5/53	87	Dec. 1	6.00
Alberta Pacific Grain 6% 1946	97½	Dec. 1	6.25
Algoma Steel Corpn. 5/62	75	Oct. 1	6.80
Argentine Govt. 6/58 Series B	99½	Dec. 1	6.05
Bell Tel. of Canada 1st 5/57	103½	Dec. 1	4.78
British American Oil 6% 1945	102	Sept. 1	4.88
Brazil, U.S. Ext. S.F. 6½/57	85	Oct. 1	7.90
Calgary Power Co. 5% 1960	94	Oct. 1	5.40
Can. Biscuit Co. Ltd. 6½/46	86	Nov. 1	8.00
Can. Cement Co. 1st Mtge. S.F. 5½/47	101	Nov. 1	5.45
Can. North. Power 5% 1935	94	Nov. 1	5.45
Canada Power & P. 5½/58	63½	Jan. 1	9.25
Can. Light & Power 1st S.F. 5/49	95	Jan. 1	5.42
Can. S.S. Lines 6/41 1st & Gen.	96½	Aug. 18	6.44
C. P. Ry. Coll. Trust 5/34	101	Oct. 5	4.80
C. P. Rly. Secured 4½/44 Notes	97½	Oct. 5	4.75
Can. Goodrich Income 7/43	65	......	...
Chile Republic Ext. S.F. 6/60	92	Oct. 1	6.62
Colombia Repub. Ext. S.F. 6/61	78	Oct. 1	7.90
Dom. Iron & Steel Consol. S.F. 5/39	98	......	...
Dom. Square Corp. 6/48	98	Oct. 1	6.18
Dominion Tar & Chemical Debs. 6/49	101½	Jan. 2	5.85
Donnacona Paper Co. 1st S.F. 5½/48	92	Aug. 1	6.25
Donnacona Paper Co. Debs. 6/48	91	Aug. 1	6.90
Duke Price Power 1st 6/66	106	Nov. 1	5.65
Eastern Dairies Convertible 6/49	102	Nov. 1	5.83
Foreign Power Securities 6% 1949	102	Dec. 1	5.85
Fraser Companies 1st 6/50	93	Jan. 2	6.68
Fraser Companies Convertible Notes 6/32	88	Jan. 2	...
Fraser Co's. 6½/42 Debs. Cum. Warrants	88	Oct. 1	7.80
French Nat. Mail Ex. S.F. 6/52	103	Nov. 1	5.88
General Steel Wares 1st S.F. 6/52	100	Nov. 1	6.00
Gatineau Power 1st S.F. 5/56	96	Dec. 1	5.32
Gatineau Power S.F. Debs. 6/41	99½	Oct.	6.05
Great Lakes Co. 6% 1950	85½	Sept.	7.42
Howard Smith P.M. 5½/53	92½	Dec. 1	6.10
Manitoba Power 1st S.F. 5½/51	101	Jan. 1	5.40
Lake St. John Paper Co. 6½/47	99	Aug. 1	6.60
Massey-Harris Co. 1st Mtge. 5/47	95	Oct. 15	5.45
Montreal, City of, 5/58	102½	Oct. 1	4.84
Montreal Coke 1st S.F. 5½/47	100	Dec. 1	5.50
Montreal Island Power 5½/57	98½	Nov. 1	5.61
Montreal Power Cons. 5/70	101½	Sept. 1	4.91
Montreal Tram. 1st Coll. Trust 5/41	100	Jan. 1	5.00
Montreal Tram. Gen. Ref. 4½/55	90	Oct. 1	5.22
Montreal Tram. Gen. 5/55	95½	Oct. 1	5.33
Nova Scotia Steel & Coal 1st 5/59	74	......	...
Nova Scotia Steel & Coal 6 deb.	46	......	...
Northwestern Power Co. 6/1960	101½	Jan. 2	5.88
Northwestern Utilities 1st 7/38	105	Dec. 1	6.40
Ontario, Province of 5/59	103	Nov. 1	4.87
Peru, Republic of, 6% 1960	78	Dec. 1	7.81
Port Alfred P. & P. 1st 5/57	88	Nov. 1	6.45
Price Bros. 1st S.F. Series A 6/43	104	Aug.	5.60
Quebec Power 1st Mtge. Coll. S.F. 5/68	100½	Dec. 1	5.00
Rio de Janeiro Trams. 5/35	96	Jan. 1	5.90
Shawinigan W. & P. 4½/68	95½	Dec. 1	4.82
Simpson's 6/49	101¾	Jan. 2	5.85
Sou. Canada Power 1st 5/35	100½	Oct. 1	4.95
United Grain Growers 1st Mtge. 5/48	90	Jan. 5	6.00
United Securities Coll. Trust 5½/52	100	Nov. 1	5.50
Wayagamack P. & P. 1st S.F. 6/51	98	Jan. 1	6.18
Winnipeg Electric Ref. 6/54	101½	Apr. 1	5.88

Active Provincial and Municipal Bonds

(Furnished by H. R. Bain & Co., Ltd.)
350 Bay Street, Toronto, Ont.

Provinces	Rate	Actual Mat.	Next Int. Date	Ask	Approx. Yield
Alberta	4½	1 Oct. 1958	1 Oct.	$95.36	4.80
Alberta	5	1 Jul. 1943	1 Jan.	100.95	4.90
Alberta	6	1 Apr. 1936	1 Oct.	104.50	5.05
British Col.	4½	1 Oct. 1953	1 Oct.	95.80	4.80
British Col.	5	15 Jan. 1948	15 Jan.	101.79	4.85
British Col.	6	15 Aug. 1941	15 Aug.	108.67	5.00
Manitoba	4	1 Jul. 1947	1 Jan.	90.77	4.80
Manitoba	5	2 Jun. 1959	2 Dec.	102.32	4.85
Manitoba	5	15 Jun. 1943	15 Dec.	100.98	4.85
N. B.	4½	1 Jun. 1948	1 Dec.	97.00	4.75
N. B.	4¾	15 Jun. 1936	15 Dec.	99.48	4.85
N. B.	6	1 Jan. 1936	1 Jan.	105.13	5.00
Nova Scotia	4½	15 Nov. 1948	15 Nov.	95.76	4.85
Nova Scotia	5	1 May 1943	1 Nov.	101.47	4.85
Nova Scotia	6	1 Nov. 1936	1 Nov.	105.49	5.00
Ontario	4½	1 Sep. 1944	1 Sept.	97.00	4.78
Ontario	5	15 Oct. 1948	15 Oct.	102.75	4.75
Ontario	6	2 May 1936	2 Nov.	105.13	5.00
P. E. I.	4	1 Apr. 1939	1 Oct.	93.51	4.70
P. E. I.	4½	1 Oct. 1944	1 Oct.	95.50	4.90
Quebec	4½	1 Jun. 1946	1 Dec.	97.22	4.75
Quebec	5	1 Mar. 1964	1 Sept.	104.00	4.78
Saskatchewan	4½	1 Oct. 1944	1 Oct.	93.56	4.87
Saskatchewan	5	1 Oct. 1950	1 Oct.	101.93	4.85
Saskatchewan	6	1 Feb. 1936	1 Aug.	104.87	5.05
Cities					
Montreal	5	1 Sep. 1963	1 Sept.	102.47	4.85
Toronto	4½	1 Sep. 1954	1 Sept.	95.71	4.80
Vancouver	4	1 Aug. 1946	1 Aug.	89.58	4.95
Winnipeg	5	1 Mar. 1944	1 Sept.	100.00	5.00
Windsor	5	1 Dec. 1937	1 Dec.	99.42	5.10
Edmonton	5½	1 May 1945	1 Nov.	103.71	5.15
Calgary	5	1 Jan. 1943	1 Jan.	99.06	5.10
Halifax	5	1 Jul. 1951	1 Jan.	100.00	5.00
St. John	5	15 Dec. 1950	1 Dec.	100.64	4.95
Regina	4½	1 Jul. 1950	1 Jan.	92.53	5.10
Victoria	5	21 Jul. 1945	21 July	99.48	5.05

A.J.Pattison, Jr. & Co. LIMITED
INVESTMENT BANKERS
Dealers in Unlisted Bonds and Shares
159 Bay Street, (First Floor) Toronto Elgin: 5101 (Ten Lines)

National Pension Bill Expected to Rise Yearly With Peak Around 1965

Canada Has Only Paid About One-third of the Cost of the Great War—New Machinery for Pensions Set Up

From Our Own Correspondent

OTTAWA.—The solution of the problem of soldiers pensions, with all that it may entail in expenditures by the Dominion government, will date from 1930. It is not unfair to preceding governments or parliaments to say that not until 1930 was the full extent of the pension problem appreciated; not until a few months ago did our public men abandon definitely the opinion, tenaciously held, that war problems had been long since solved and that only minor adjustments were now needed.

Beyond stating that it will boost the immediate pension bill for forty-two to about forty-five millions a year, no reliable estimate may be made of the financial charges which will result from 1930 pension legislation. But this legislation, unlike all the enactments that preceded it, approached the problem not as a war problem but as a future problem—one which the grandchildren of the present generation will be coping, when the political leaders of to-day are as far removed from active life as is Sir John A. Macdonald from us. And the 1930 statute, beyond peradventure, created pension machinery of a permanent national character which should function efficiently and smoothly as long as world war pensions are paid.

Judicial Machinery

In 1930, parliament set up a complete judicial machine, just as nation-wide as the judiciary which enforces the laws of the land in the criminal and civil spheres. There is now to be a sort of court of preliminary trial for pension claims; four full dress courts in four different sections of the Dominion to hear cases which were decided against the applicant in the lower court; and, over all, a court of appeal, centred at Ottawa.

This is parliament's answer to the criticisms of service men, criticisms which have been becoming more vocal in recent years. There is to be no change in the scale of pension, and no one has asked that there should be. Veterans in Canada have never claimed that the scale of pensions was too low. They have protested against the way in which applications were dealt with and with the virtual collapse of all appeal hearings, due to what they considered inadequate facilities.

The pension question is of particular interest to the business community because it involves huge sums of money. The impression seems to be widespread that war costs money, while you are fighting, but that things get back to normal very soon after hostilities are over. This, of course, is a mistake. The money spent in the years of conflict is only a first instalment on the ultimate cost of war—and a small instalment. Between 1914 and 1919 Canada spent on war, mostly borrowed money, $1,492,166,548. Since 1919, war expenditures have been $2,085,651,500. We are now spending at the rate of $163,000,000 annually, and the amount will eventually reach $200,000,000 per annum. The peak should be reached about 1950. We may be said, at the moment, to have financed about one-third of the total cost to Canada of the war.

Bill Grows Annually

One of the largest items in this total is pensions and it is important because pensions are only beginning in Canada. In 1919 the pension bill was $17,869,274; in 1921 $36,761,161; in 1928 $38,460,659; in 1929 $40,047,757; 1930 $42,000,000 (estimated). The number of pensioners has risen steadily and will rise more rapidly in years to come. Today there are 74,000 on the pension list, of which some 20,000 are widows. The peak of pension cost will be reached about 1965 when the annual charge will be not far short of $75,000,000; almost as much as the total budget of the country before the war.

The problem presented to parliament this year was exceedingly simple. The facts proved that the dreams of the immediate past—that the pension list would be complete by 1930 and that a date could be fixed after which no further applications would be received—must be abandoned.

In 1919 when the pension problem was grappled with in a large way, parliament designed simple machinery to administer the statute. A Board of Pension Commissioners was created. This Board passed upon all applicants, granted pensions or refused pensions—that was all there was to it.

How Board Worked

Naturally the Commissioners worked out a simple formula by which all applications were judged. A veteran claimed a pension, alleging that certain present disabilities were due to war service. The Commissioners got the applicant's war records, examined the documents. If it was found that he had suffered from this or any related disability during war service his application was entertained; if not, it was refused. If he was shown to have been discharged medically fit, his chances were negligible. Failing any record of the disability during war service he must prove, by evidence satisfactory to the Commissioners, that he had suffered more or less continuously from the time of his discharge up to the present.

This system worked rather well in early post war years. Disabilities were easily traced to the period of war service. With the passing of time, however, many veterans suffered physical breakdowns which unquestionably were attributable to war service, although no direct evidential connection could be shown. The veterans were not satisfied with the rulings of the Pension Commissioners and so parliament in 1923, established the Appeal Board, with power in certain circumstances to review cases turned down by the Commission.

Proving the Link

But these facilities became quite inadequate to cope with the flood of applications which have been received in the last few years. More and more the men who served overseas are falling prey to sickness. They cannot prove a direct connection with war service, but anyone who served in France knows that flesh and blood could not withstand the exposures and nerve strains of active service, without impairment. The effects might not be apparent immediately but eventually must be felt.

There were, moreover, two obvious weaknesses in the formula adopted by the pension Commission.

The first was that thousands of men on active service were sick and received treatment without any entry being made upon their medical history sheet. Battalion doctors never entered the cases dealt with in the line.

The second was that most Canadian soldiers were so eager to get home, after the war, that they concealed disabilities, rather than have their demobilization delayed by medical examination and treatment.

Arrears Mounted

The situation in 1930 was as follows:—

The Pension Commission was struggling unsuccessfully to keep abreast of pension applications. The Commission, actually, was deciding from 60 to 100 cases daily, averaging about three seconds per case. Despite this break-neck pace, the arrears of applications were mounting dizzily. The Appeal Board was literally swamped and was so far behind with its work, despite the unremitting toil of the members, that a whole year would be necessary to catch up.

Meantime, while applications and appeals were pending, weeks were passing. Applicants were becoming seriously ill, clamoring for hospitalization, were dying.

And in addition to the mass of new work, the task of administering the pensions granted to the 74,000 already on the list presented unimaginable difficulties. Pensioners were dying and decisions had to be made in regard to allowances to widows and children; children were being born and increased allowances were needed; children were reaching the age limit and must be cut off; pensioners were getting divorces and details of a settlement with their wives had to be ironed out; pensioners were going to prison and their allowances must be stopped; others were coming out of prison and their allowances must be renewed.

Two changes were urgently needed. Adequate judicial machinery must be created to deal with applications and appeals—the veteran must be convinced that he was getting a fair hearing—and all rule of thumb formulae must be abandoned. The latter implied that there must be no restriction or time limit upon an application for pension; the state must stand liable at any time a veteran could prove a disability arising out of the war.

It was demonstrated to the special joint committee of the Commons and the Senate which investigated the question, that most applications suffered by lack of preparation. Some years ago parliament provided for soldiers' advisors, whose job was to assist in preparation of cases, the assembling and sifting of evidence, but the advisors were proved to be not overly efficient.

What Parliament Did

Having all phases of the problem before it, parliament took action as follows:

The Board of Pension Commissioners was retained as an administrative body. Hereafter all applications will go direct to this Board and if the case is clear, the applicant will be granted a pension forthwith.

The Appeal Board was abolished and in its place four courts of two judges each, and a presiding judge at Ottawa, were set up. These courts, it is understood, will be assigned as follows: one in Quebec and the Maritimes; one in Ontario; one in the prairie provinces; and one in British Columbia.

If the Pension Commission cannot see its way clear to grant a pension immediately upon application, the case will be referred to the Court in the particular area in which the applicant lives.

A Central Bureau also will be set up where the applications which are to come up for trial will be carefully prepared.

Evidence Will Be Heard

The trial before the district Court will be formal and complete. The applicant will be free to appear and give evidence. This, he could not do under the old system, as the Pension Board was located at Ottawa and, handling cases at a rate of three seconds each, could not pause to take evidence.

In order to ensure fairness to the Crown, the Pension Commission will be free to be represented by counsel at the Court trial to bring out weaknesses on the application.

From the decision of the district Court an appeal will lie to an Appeal Court to be set up in Ottawa.

This machinery is to be created within a few weeks time and should be functioning smoothly by the close of the year.

The immediate result will be that the upwards of 100,000 dissatisfied veterans will be able to bring their cases before the district Courts.

In creating a judicial machine parliament laid down certain rules of evidence. The old formulae will be abandoned and in the future any reasonable doubt which may exist as to an application for pension will be resolved in favor of the veteran.

Will Add to Bill

These sweeping changes, while they will remove the grievances of returned men, will add greatly to the pension bill of the Dominion. In recent year about ten persons daily have been added to the pension list. But in the next year or two this number almost certainly will be doubled and perhaps trebled. It is to be expected that by 1933 there will be more than 85,000 pensioners in Canada.

There were four additional phases of the recent pension legislation. Parliament dealt with the permanently broken down, burnt out, unemployable veteran of advanced years by providing an old age pension, to begin at 60 years of age. These men will be entitled to $240 per year if unmarried and $480 per year if married. Earnings are exempt in the case of bachelor or widower up to $125 and for a married man $250. This old age pension will cost $2,000,000 in 1931 rising to $18,000,000 in 1957.

Revise Commuted Cases

The 22,000 veterans who have commuted their disabilities for cash will now be free to re-apply for pension and will be given it if their disability still persists and if the amount they would have received, month by month, in pension, now equals the cash payment they accepted.

Veteran's wives also will be benefitted. Hitherto a woman who married a veteran subsequent to the appearance of a disability was not entitled to a widow's allowance, because she was deemed to have married him for personal profit. Now all marriages up to Jan. 1, 1930 will be recognized as having been entered into in good faith. This change will add $600,000 to the pension expenditure.

The time limit for applications for soldiers' insurance was extended until 1933, but as this department of soldier care is self-sustaining no additional cost is involved.

The soldier settlers were not overlooked and will benefit by a straight 30 per cent reduction in their debt to the Crown. This will necessitate writing off about $12,000,000.

Canadian Quotations--Cont'd

Foreign Exchange

NEW YORK FUNDS

	High (Premium)	Low (Premium)	Last Year High (Premium)	Last Year Low (Premium)
July 9	Par	1-64	23-32	45-64
July 10	*1-64	1-16	45-64	19-32
July 11	*1-32	1-16	39-64	1-2
July 12	*1-32	3-64	17-32	17-32
July 14	*3-64	1-32	33-64	33-64
July 15	*3-64	1-64	17-32	1-2

*Discount.

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
July 9	4.86 1-4	3.93 1-4	5.23 3-4
July 10	4.86 5-16	3.93 7-16	5.23 11-16
July 11	4.86 7-32	3.93 5-16	5.23 3-4
July 12	4.86 9-32	3.93 7-16	5.23 3-4
July 14	4.86 5-16	3.93 7-16	5.23 3-4
July 15	4.86 3-8	3.93 9-16	5.23 3-4

FOREIGN EXCHANGE

Par		June 30	July 8	July 15
5.263	Italian	5.23¾	5.23¾	5.23¼
23.80	German	23.81	23.84	23.85
13.90	Belgian	13.96½	13.96½	13.96
49.80	Japanese	49.45	49.45	49.40

Winnipeg Stock Exchange

(Transactions for week to July 8 in stock not traded in elsewhere)

Div. Rate in $	Yield July 8		Close July 3 (or last)	High for wk.	Low for wk.	Close July 8
...	....	Crescent Creamery	93	91	91	91
.80	16.00	Western Breweries	6	5	5	5

Inactive Stocks
July 8

	Bid	Ask		Bid	Ask
Beaver Fire	..	120	North. Mtge. part pd.	13	..
Can. Indemnity	125	...	Northern Trust	45	..
Home Investment	..	70	Traders Budg.	..	100
Monarch Life	35	50	Un. Grain Growers	..	17

Mining Stock Quotations

WEEK ENDING JULY 14

Par Val.	Range High	1930 Low	Company	Close July 7 (or last)	High for week	Low for week	Close July 14
$1	1.42	.39	Abana	.40	.43	.39	.45
1	.09	.02	Aconda	.02½	.02½	.02	.02
None	.50	.32	Aladdin	.33	....	....	....
None	.50	.30	Aldermac	.40	....	....	....
1	.01	.00½	Algonquin	.00½	....	....	....
1	.19	.02	Amity C.	.03½	.03	.03	.03
None	1.95	.35	Amulet	.47	.53	.43	.53
1	.02½	.02½	Ankerite	.02½	....	....	....
1	.01	.00¼	Apex	.01	.01	.01	.01
1	.10	.05	Area	.05	.05	.05	.05
1	.02	.00¼	Argo. Con	.00½	....	....	....
1	.30	.05	Arno	.06	.10	.05	.05¼
1	.01	.00½	Atlas	.00½	....	....	....
1	.03	.01	Astoria	.01	....	....	....
1	.03½	.01½	Baldwin	.03	.03	.02¼	.02¼
1	.25	.12	Barry Holl	.14	.14½	.13	.13½
None	4.45	2.00	Base Metals	2.40	2.15	2.00	2.15
None	.05	.01½	Bathurst	.02½	.02½	.02½	.02½
5	6.10	3.50	B'Wana	3.50	....	....	....
1	.35	.12	Bedford	.15	.12	.12	.12
1	.11	.02	Bidgood	.04	.05	.03½	.04
1	1.04	.36	Big Missouri	.65	.68	.53	.67
1	.11	.03½	Bobjo	.05	.07	.06	.06½
None	.01½	.00½	Boischatel	.01½	....	....	....
1	.06¼	.03	Brett Trethewey	03½	....	....	....
1	.05½	.04	Brit. Canadian	.04	....	....	....
None	.14	.01½	Brownlee	.05½	....	....	....
1	.02¼	.00½	Buckingham	.01¼	.01½	.00¼	.00¼
None	.10	.01¼	Bunker Hill	.08½	.08	.06½	.07
None	.14	.05	Cal. Flin Flon	.05½	....	....	....
None	.05	.02½	Callinan	.05	....	....	....
None	.65	.15	Canam Metals	.15	.19	.19	1.9
1	.08	.00½	Can. Kirk	.04	....	....	....
1	.06	.02	Can. Lorraine	.02	....	....	....
1	.02	.00½	Capital R.	.01	....	....	....
1	.28	.15	Castle Tre	.16	.16	.16	.16
1	.29	.08	Cen. Man.	.08	.09	.08	.09
1	.30	.16	Cen. Patricia	.25	.31	.24	.26
1	.15	.05	Champion Reef	.07	....	....	....
1	.07½	.05	Chaput H.	.05	....	....	....
None	1.05	.10	Chib. Pros.	.10	....	....	....
None	.07¼	.00¾	Clericy	.04	.04½	.04	.04
5	24.00	7.00	Coast Copper	10.25	9.25	9.00	9.25
1	.42	.05	Cobalt Con.	.06	.07	.05¾	.06
1	.01	.00¾	Col. Kirk	.00½	....	....	....
1	1.17	.32	Columario	.72	.68	.50	.50
5	1.40	.80	Coniagas	.80	....	....	....
5	.60	.15	Coniaurum	.17	.23	.20	.20
25	280.00	175.00	Cons. Smelters	196.00	202.00	183.00	200.00
	1.80	.01	Do. Rights.	.08	.05	.01	.04
1	.02	.01	Corona	.02	.02	.01¼	.02
1	.80	.76	Copper Mtn.	.79	....	....	....
1	.02	.00½	Crown Res.	.00¼	.00¼	.00¼	.00¾
None	.39½	.15	Dom. Explor	.19	.19	.15	.19
None	9.30	7.00	Dome Mines	8.00	.50	7.75	8.00
1	.01¼	.00¼	Dom. Kirk	.01	.01	.01	.01
1	.01	.01	Don. Rouyn	.01	....	....	....
1	.05	.00½	Dunkin	.02	.02	.02	.02
1	.04	.01	Duprat	.02	.02½	.01¼	.02½
None	.04	.03	Engineers Hold	.03	....	....	....
1	.01	.00½	Everett	.00½	....	....	....
None	6.50	1.80	Falconbridge	2.55	2.50	1.80	1.87
1	.02	.00½	Federal Kirk	.00½	.01	.01	.01
	.05½	.01	Flintoba	.01	.01	.01	.01
None	.24½	.14	Gem Lake	.18½	.15½	.15½	.15½
1	4.50	1.05	George Cop.	1.45	....	....	....
None	.07	.01	Gilbec	.03	....	....	....
1	.95	.55	Golconda	.80	....	....	....
1	.04½	.02½	Goldale	.04	.04	.03	.04
1	.58	.25	Goldfield	.25	.30	.30	.30
1	.02	.00¼	Gold Hill	.00½	.00¾	.00½	.00¾
1	.00¼	.00¼	Gold Reef	.00¼	....	....	....
1	.10	.02½	Goodfish	.04¼	.04¼	.03	.03
1	.03½	.01	Graham	.01	....	....	....
50c.	.17½	.04	Grandview	.04	....	....	....
None	2.05	1.03	Granada	1.60	1.60	1.50	1.50
1	.01½	.00¼	Grover Daley	.00¼	....	....	....
1	.10	.01¼	Grozelle	.05	....	....	....
1	.03	.01	Harker	.03	....	....	....
1	.18	.10½	Hayden	.10½	....	....	....
1	.01	.00¼	Hilltop	.00⅛	....	....	....
5	6.65	4.90	Hollinger	5.80	5.90	5.40	5.70
1	1.40	.45	Howey Gold	.55	.55	.50	.50
None	14.65	7.00	Hudson Bay	8.00	8.95	7.50	7.50
	.10	.00¼	Do., Rights.	.02¼	.02¼	.00⅛	.00¼
1	.09	.02	Indian	.02	....	....	....
None	44.50	20.25	Int. Nickel	23.12	24.75	22.87	24.50
	.40	.24	Do., Rights.	.31	.32	.26	.30
1	.03½	.01½	Jackson M.	.03½	.03¼	.02	.03
1	.40	.30	Keeley	.30	.30	.30	.30
1	.04	.01	Keora M	.03½	.03	.02	.02
1	.01¼	.00¼	Kirk Hunt	.00½	....	....	....
1	.95	.50	Kirk Lake	.60	.58	.55	.57½
1	.03½	.01	Kirk Prem.	.01	.01½	.01½	.01¼
25c.	.07	.05	Koot. King	.02½	....	....	....
20c.	.08	.02	Koot. Flor	.02¼	.02½	.02	.02
1	24.00	19.00	Lake Shore	22.25	22.25	21.75	22.25
1	.04	.00¾	Laval	.01⅛	....	....	....
1	.02	.01	Lebel Ore	.01	....	....	....
1	.01	.00¼	Lorraine C.	.01	....	....	....
10c.	.10	.08	Lucky Jim	.10	....	....	....
1	.13	.06	Macassa	.07½	.10	.10	.10
1	.07	.01½	Malartic	.03	.02½	.02½	.02½
1	.01	.00¾	Malrobic	.01	....	....	....
None	.35	.10	Mandy	.12	.14	.12	.14
None	.17	.04	Man. Basin	.04	.05	.04	.04
None	.02	.00½	Marriott	.00½	....	....	....
None	.30	.15	McDougall	.19	....	....	....
1	.60	.30	McKinley	.35	....	....	....
5	19.80	15.00	McIntyre	18.05	18.00	18.00	18.00
1	.30	.14	McVittie	.25	....	....	....
1	.00¼	.00⅛	Millcrest	.00½	....	....	....
5	3.60	1.00	Mining Corp	1.14	1.10	1.00	1.00
1	.01½	.00½	Mint Ore	.00½	....	....	....
1	.04½	.02	Moffatt Hall	.02½	.03½	.03½	.03½
1	.04	.02	Moneta	.03	....	....	....
1	.07	.00½	Montreal R.	.01	....	....	....
1	.50	.10	Moss	.15	.30	.30	.30
1	.02¾	.00½	Murphy	.02¾	.02⅛	.02⅛	.02⅛
1	.26	.06	Newbec	.09	.09	.08	.08
1	.06½	.03	Night Hawk	.05	....	....	....
5	1.85	1.00	Nipissing	1.00	1.00	1.00	1.00
50c.	.40	.11	Noble Five	.12	....	....	....
None	44.25	19.50	Noranda	23.25	24.00	22.75	23.50
	.46	.22	Nor. Canada	.26	.22	.22	.22
	40.00	40.00	Noroque	40.00	....	....	....
None	.07	.02	Old Colony	.02	.02¼	.02¼	.02¼
1	.03¼	.01	Ophir	.02	....	....	....
50c.	.18	.07	Oregon Cop.	.07	....	....	....
1	1.36	.10	Oriole	.66	.52	.10	.34½
1	.30	.10	Osisko	.14	....	....	....
	27.50	26.00	Pandora Units	27.50	....	....	....
None	.06	.02⅛	Patterson Cop	.04	....	....	....
1	.03	.01¼	Pawnee Kirk.	.01¼	.02	.02	.02
None	5.15	.95	Pend. Ore	1.12	1.35	1.05	1.25
1	.19¼	.06	P. L. Cobalt	.06	.08½	.06	.08½
1	.01	.00¼	Picard	.00¾	.01	.01	.01
1	.20	.09	Pioneer	.11	.11	.11	.11
1	.01½	.00¼	Porc. Crown	.00¼	....	....	....
1	.01½	.00¼	Porc. Keora	.01½	....	....	....
50c.	.15	.15	Porter Idaho	.15	....	....	....
1	.03¼	.01	Potter Doal	.01¼	.01¼	.01	.01
1	1.60	.80	Prem. Gold	.95	1.00	.90	.95
1	.70	.25	Quemont	.30	.25	.25	.25
None	1.78	.30	Reeves McD.	.55	....	....	....
1	.03	.00½	Ribago	.03	....	....	....
1	.10	.02	Ritchie	.09¼	.09	.07	.07
1	.04	.00¼	R. Montbray	.01½	.02¼	.02	.02
25c.	.25	.10	Ruth Hope	.10	....	....	....
1	.08	.02	Salmo Mal	.04	....	....	....
None	.35	.12	San Antonio	.21	.25	.20	.20
1	.53½	.40	Seven Troughs	.49	.48	.48	.48
1	3.50	1.25	Sherritt G	1.45	1.50	1.36	1.36
1	.75	.21	Siscoe	.27	.28	.25	.26
50c.	.26	.09¼	Snowflake	.15	....	....	....
1	.02½	.01	So. Keora	.02½	.01	.01	.01
None	.07	.02	Stadacona	.03	.04	.03½	.03½
1	.29	.05	St. Anthony	.06	....	....	....
	.25	.18½	Stewart Abate	.24	....	....	....
None	5.35	1.40	Sud. Basin	1.79	1.75	1.40	1.50
1	.05	.01¼	Sud. Contact	.02½	....	....	....
1	.01	.00¼	Sudbury M.	.00½	....	....	....
None	.20	.10	Sudbury N.	.12	....	....	....
1	1.00	.60	Sunloch	.70	....	....	....
1	1.02	.42	Sylvanite	.43	.50	.45	.45
1	.22	.09	Tashota	.10	.12	.12	.12
1	7.30	4.70	Teck Hughes	6.35	6.50	6.30	6.50
1	.19	.05	Telluride	.07	.08	.05	.08
1	.12	.02	Thom. Cad'c.	.02½	.03	.02¼	.03
1	.03	.02	Temiskaming	.03	....	....	....
50c.	.06	.02	Topley	.02	....	....	....
1	.05½	.00½	Tough Oakes	.02	.02	.01½	.02
1	1.50	.35	Towagmffic	.35	....	....	....
None	7.50	3.50	Treadwell Y.	3.75	3.80	3.75	3.75
None	8.25	3.00	Tri-Metals	3.00	....	....	....
None	.05	.03½	United Algoma	.03	....	....	....
None	3.50	1.05	Ventures	1.10	1.20	1.05	1.10
1	1.42	.60	Vipond	1.21	1.32	1.21	1.32
None	5.65	1.40	Waite Ack	1.55	2.20	1.70	1.97
1	.03	.01	West D. Lake	.01½	....	....	....
	.09	.03	West Tree	.05	....	....	....
1	1.35	.35	White Lake	.48	.45	.35	.40
1	.24	.06	Whitewater	.06	....	....	....
1	.04	.02	Wiltsey	.03	....	....	....
None	.04	.00¼	Windfall R.	.00½	.00½	.00½	.00¼
None	.05	.03	Woodbine	.03½	....	....	....
	.07	.03	Wood Kirk	.03½	....	....	....
None	2.30	1.35	Wright-Har	1.82	1.90	1.80	1.88
			WESTERN OIL STOCKS				
1	.70	.05	Acme	.48	.46	.32	.40
1	2.10	2.00	Admiral	2.00	....	....	....
None	1.25	.25	Advance	.30	.25	.25	.25
1	2.75	.72	Alta. Pac.	.76	.75	.72	.75
1	.41	.35½	Amalgamated	.35¼	....	....	....
None	2.00	.48	Associated	.58	.55	.50	.50
1	2.91	.80	Ajax	2.37	2.37	1.55	1.78
None	1.60	.18	Baltac	.20	.20	.20	.20
	1.63	1.63	Belmont	1.63	....	....	....
1	.74	.28	Brit. Dom.	.28	.29	.28	.29
1	.20	.10	Black Dia.	.10	.17½	.17½	.17½
1	4.25	.90	Calmont	1.10	1.10	1.00	1.08
None	3.90	.71	Calgary & Ed.	.80	.77	.71	.71
1	1.00	.17	Comm. Pete.	.20	.21	.17	.18
None	.25	.10	Cypress	.22	....	....	....
1	.50	.45	Dallas	.50	....	....	....
None	3.50	.80	Dalhousie	1.00	.97	.80	.83
None	.30	.15	Devenish	.18	.16	.16	.16
None	.26	.06	Dome Oil	.10	....	....	....
None	1.35	.15	E. Crest	.23	.23	.20	.20
1	.03½	.04½	Fabyan Pete.	.06	.05	.04½	.05
None	2.50	1.00	Foothills	1.00	....	....	....
None	1.00	.17	Freehold	.25	.18	.17	.17
1	.20	.05	Great West.	.05	....	....	....
None	1.40	.17	Hargal	.20	.20	.17	.18
None	.45	.25	Herron Pete.	.30	.25	.25	.25
5	.50	.50	Highwood Pete.	.50	....	....	....
None	.26	.05½	High Sarcee	.07¼	.06	.05½	.05½
None	10.00	3.60	Home	4.00	4.10	3.90	4.05
None	.80	.15	Homestead	.17	.18	.15	.15
1	.55	.10	Ill. Alta	.12	.12½	.10	.11½
None	2.35	.75	Lowery	1.00	1.00	.75	1.00
1	.20	.03½	Madison	.04¼	.04	.03½	.03½
1	3.25	.50	Mayland	.53	.55	.52	.52
None	.33	.11½	McD. S. Ex. Can.	.12	.12½	.11½	.11½
1	1.10	.30	McD. S. N.	.40	.41	.40	.40
1	5.90	1.10	McLeod	1.14	1.15	1.10	1.15
None	.87	.23½	Mercury	.28	.28	.26	.27
None	1.05	.10	Merland	.11	.17	.10	.11½
1	.42	.14	Mid West	.16	.16½	.14	.16½
None	2.10	.15	Mill City Pete	.22	.20	.15	.18
1	.45	.18	Model	.19	.21	.19	.20
1	.91	.41	Monalta	.50	....	....	....
1	.23	.20	Moose M.	.20	....	....	....
1	.10	.05	New Federal	.05	....	....	....
None	2.32	.60½	Nordon	1.00	1.15	.90	1.00
	1.42	.92	Do., New	1.00	1.11	.92	1.10
None	.27	.18	Oil Select	.18	....	....	....
None	2.10	.47	Okalta	.50	.50	.47	.47
100	45.00	40.00	Do. pref.	42.00	....	....	....
	.25	.07	Olga Oil & Gas	.10	.10½	.07	.07
1	.28	.11	Petrol	.28	.29	.25½	.26
	2.45	1.70	Penn. Pete	2.30	....	....	....
None	.43½	.09	Ranchmen's	.09¼	....	....	....
1	.45	.06	Regent	.08	.07½	.06¼	.06¼
None	.48	.05	Richfield	.06	.06	.05	.06
None	65.00	20.00	Royalite	24.00	23.50	22.50	23.00
1	1.46	.50	Sarnia Oil	.50	....	....	....
1	.20	.20	Sentinel	.20	....	....	....
1	.50	.50	Sioux City	.50	....	....	....
1	.22½	.07	Signal Hill	.08	.08½	.07	.08½
1	1.30	.35	Spooner	.42	.45	.42	.43
None	2.10	.30	So. West Pete.	.40	.35	.35	.35
None	1.03	.12	Sterling Pac.	.18	.15	.12	.12
None	.68	.65	Sunlight	.68	....	....	....
1	.60	.20	Turner Valley	.20	....	....	....
None	1.65	.30	United	.31	.32	.30	.32
None	.88	.55	Vanalta	.60	....	....	....
1	.80	.12	Vulcan	.15	.17	.12	.17
None	.15	.03	Wainwell	.06	.05	.03	.04
1	1.75	.15	Waite Valley	.20	....	....	....
None	.35	.35	Western Alta.	.35	....	....	....
1	1.25	.75	Westfield	.75	....	....	....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Canam Metal	2c.	....	McIntyre	$1	5.55
Cons. Smelters	$12.50	6.25	Nipissing	30c.	30.00
Dome Mines	$1	12.50	Noranda	$2	8.51
Hollinger	65c.	11.40	Premier	24c.	25.26
Home Oil	25c.	....	Royalite	50c.	....
Inter Nickel	$1	4.08	Teck Hughes	60c.	9.23
Lake Shore	$1.20	5.39			

GRAIN LABORATORY BAKES MUCH BREAD

Patient Research Mixes Our Wheat With All Others

Results have recently been made public of some valuable work being done at Ottawa by the Grain Research Laboratory of the Board of Grain Commissioners. The research has been the patient assembly of samples of wheat commonly used for milling purposes by European countries. These samples have all been milled into flour and then transformed into bread.

First, the loaves were made with 100 per cent native wheat. Next, a proportion of 20 per cent Canadian 1 Northern was used with 80 per cent of each native wheat in turn. Next, 35 per cent of Canadian 1 Northern was similarly used, and lastly the loaves were made with 50 per cent Canadian and 50 per cent native wheat.

The purpose of these tests was to demonstrate the value of Canadian wheat as a factor in increasing the loaf volume and other baking characteristics.

The major improvement is recorded with the addition of the first 20 per cent Canadian wheat, although both size and quality are very appreciably improved as further Canadian wheat is added. Considerable interest was shown in the sample of Russian wheat and the loaves obtained therefrom. This wheat is of good milling quality, but was mixed with considerable quantities of rye, which had a marked effect on the color of the loaf. Also the improvement with this wheat was not so marked as with the other wheats, due no doubt to the fact that the general character of Russian is very similar to Canadian wheat. Danubian wheat, which has a comparatively high protein content, makes a very poor loaf by itself, but with the addition of 50 per cent Canadian wheat, a remarkable change in the size and appearance of the loaf takes place.

The percentage of protein content of the various wheats used was as follows: Canadian 13.2, Australian, 10.5, French 9.2, German 9.2, Danubian 12.2, Russian 14.4, Argentine (Barusso 1930) 11.9, Argentine (Bahia Blanca 1929) 11.3. These figures are interesting as showing that a high protein content does not necessarily result in a high quality loaf.

The results are as follows:

Kind of Flour Used	Amt. of Can. Flour Added	Increase in Loaf Volume
Argentine (1929 crop)	20%	nil
Russian	20%	1½%
French	20%	16%
Australian	20%	19%
German	20%	23%
Danubian	20%	24%
Argentine (Barusso)	20%	25%
Argentine	35%	4½%
Russian	35%	3%
French	35%	21%
Australian	35%	23%
German	35%	26%
Danubian	35%	35%
Argentine (Barusso)	35%	27%
Argentine	50%	7%
Russian	50%	6%
French	50%	35%
Australian	50%	29%
German	50%	30½%
Danubian	50%	43%
Argentine (Barusso)	50%	30½%

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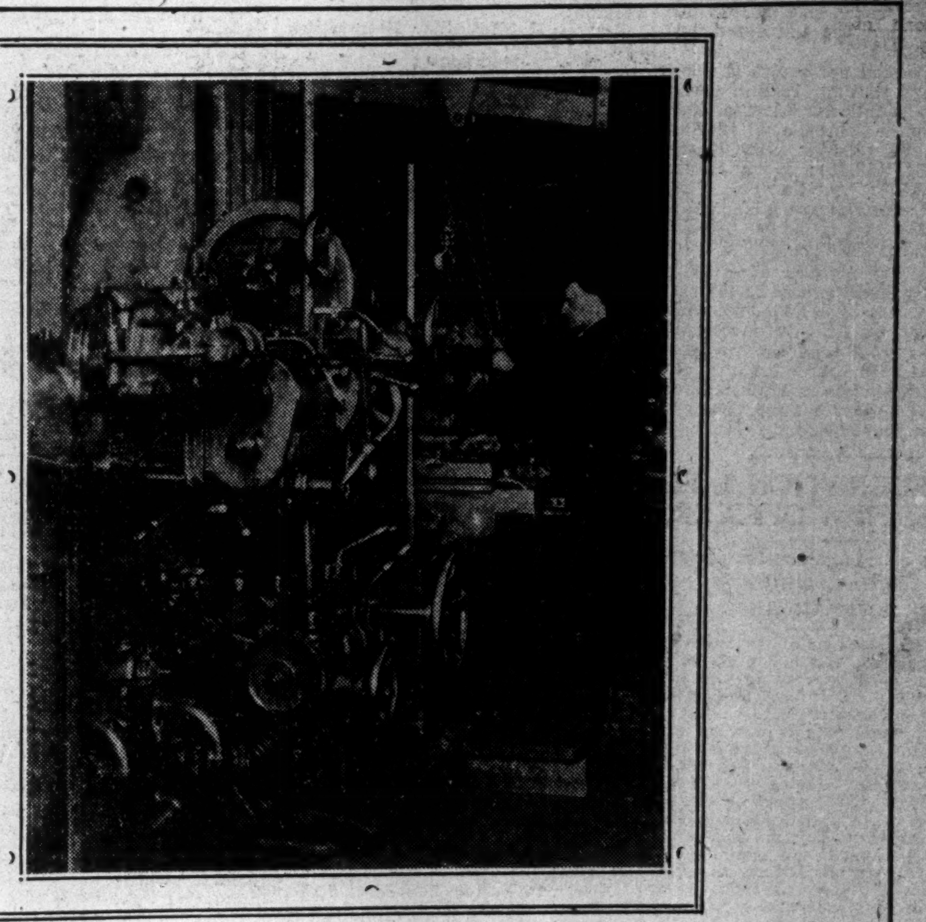

This is the fourth of a series of advertisements showing operations in the plant of Darling Brothers Limited.

Modern machinery maintains old traditions

EACH year brings new miracles of a machine age and methods of manufacture improve constantly. The equipment of the Darling plant keeps pace with modern development, ensuring to users of Darling Products all the improvements that science and engineering skill make available. ¶In this way the Darling standard of quality is maintained and carried to new heights on the chart of Canadian achievement. ¶Darling Brothers manufacture Passenger and Freight Elevators, Pumps, Webster Systems of Steam Heating, Steam Specialties, etc., modern in design — sound in workmanship — and of that high quality throughout which alone can ensure long, satisfactory, economical performance.

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Insurance for Buyer and Seller

FIRE PREVENTION ANNUAL MEETING HELD UNTIL FALL

Ottawa Conclave Postponed Five Months This Year

LOSSES ARE HEAVY

Per Capita Fire Cost Rises from $3.79 to $4.85 During 1929

Although usually held in the spring of each year, the annual meeting of the Dominion Fire Prevention Association and the annual meeting of Canadian Fire Marshals will not take place this year until the end of September. The date of the Fire Prevention conclave is set as Sept. 30, following the Canadian fire marshal meetings. Both meetings will be held at Ottawa as usual.

Next year—that is 1931—will be a particularly gala year in the history of these associations in view of the fact that not only will the annual meetings of the Canadian associations be held at Toronto, but also the annual conventions of the National Fire Protection Association of the United States and the U.S.A. Fire Marshals will come to Toronto on May 11. It is also hoped that the annual meeting of the insurance commissioners of the United States may be brought to Toronto at the same time. Deputy Fire Marshal Lewis of Ontario is chairman of the fire marshals' group of United States body for the 1930-31 term. These conventions have only been to Canada once before in their history, namely, in 1919 when they visited Ottawa.

Reviewing fire losses in 1929, the annual statistical record of the Dominion Fire Prevention shows that during 1929 the property loss in Canada by fires was $47,499,746 as compared with $36,402,018 in 1928, an increase of $10,000,000. The estimated insured value of property in Canada in 1928 was $10,596,000,000, while in 1929 it was $11,210,000,000. The per capita cost in 1929 was $4.85, compared with $3.79 in 1928.

In 1929 a large increase in the number of fires in dwellings is recorded and particularly the fires in which claims were made under insurance contracts for losses less than $100.

A continued reduction of the average insurance rate is shown by the annual statements of fire insurance companies licensed to do business in Canada. In 1921, the average cost was $1.11 per $100 of value insured, while in 1929 the average rate reached the low level of $0.81 per $100 insured, or a decrease of 27 per cent from the average rate current in 1921.

During the year, 2,193 fires were officially investigated. Of these fires 912 were of supposed incendiary origin. Informations were laid and prosecutions were undertaken in 179 cases and convictions for arson were obtained in 139 cases.

Out of the $47,499,746 fire loss in 1929, Ontario contributed $15,781,521, and Quebec $11,878,327, or a total of $27,659,848 for the two provinces. The insured loss in 1929 was $35,141,690 and the uninsured loss was $12,358,055.

The provincial per capita fire loss for 1929 and that for 1928 in parenthesis was as follows: Alberta, $5.88 (5.74); British Columbia, $7 ($4.60); Manitoba, $4 ($3.67); New Brunswick, $4.51 ($3.45); Nova Scotia, $2.97 ($3.57); Ontario, $4.82 ($3.80); Prince Edward Island, $8.25 ($3.91); Quebec, $4.42 $(3.39); Saskatchewan, $5.60 ($3.37).

In 1929 the number of fires in residential properties was 22,461 with a property loss of $11,436,385, while the number of fires in mercantile stores was 5,728 and the property loss was $12,978,524.

Fatalities by fire in 1929 numbered 233, a smaller number than in any of the previous four years.

CONFEDERATION LIFE ELECTS NEW OFFICERS

Charles S. Macdonald Moves to Highest Office in Association

Charles S. Macdonald has been appointed president of the Confederation Life Association succeeding the late Peleg Howland. Col. J. F. Michie has been elected vice-president.

Mr. Macdonald who is also general manager of the company, has been actively associated with the Confederation for 32 years having worked his way through the various executive offices, from the position of assistant actuary, assistant superintendent of agencies, assistant to the president and general manager, and latterly the position of vice-president. He is a son of the late J. K. Macdonald, founder of the company.

Col. Michie is the oldest member of the board having been elected in 1912. In addition to being president of Michie & Co., of Toronto, he is also president of the General Accident Assurance Co. of Canada and a director of the following companies: Imperial Bank of Canada, the Toronto General Trusts Corp. and the Consumers Gas Co.

The other vice-president of the company is R. S. Waldie, who was elected in 1928.

Marine Business Leads B.C. Casualty List

From Our Own Correspondent

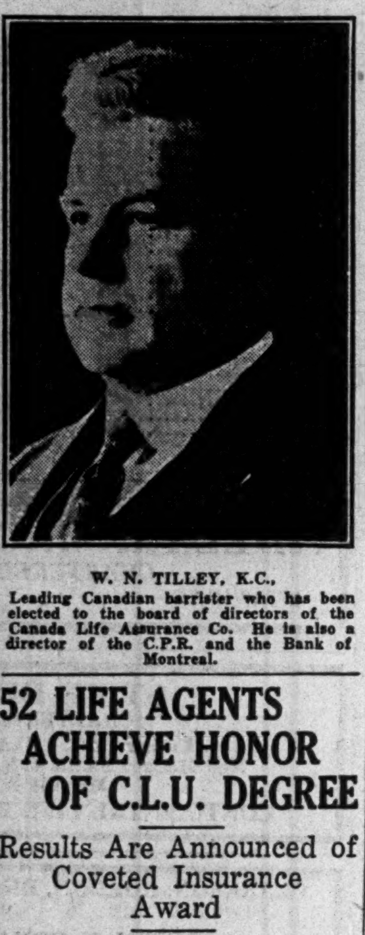
VICTORIA, B.C.—Last year's return for sixteen types of casualty insurance in British Columbia show that many of the policies covering accidents, burglary, marine and plate glass risks, etc., have been in force for years, while others are now highly specialized and of comparatively recent origin. Marine insurance heads the list with premiums totalling $1,152,041 and paid losses of $722,202. More than forty companies are engaged in this class of insurance in the Pacific province, several of which handled an exceptionally large volume of business during 1929.

Losses ruled light, and only two companies reported losses higher than premiums collected. Accident and sickness insurance are next in importance, the former having reached a total of $530,930 in paid premiums, while sickness insurance accounted for $226,693. These two types are usually grouped.

Gas For Regina

The Northern Utilities & Dominion Gas Company have made application to the city for rights to pipe natural gas from Alberta for the city of Regina.

Canada Life Director



W. N. TILLEY, K.C.,
Leading Canadian barrister who has been elected to the board of directors of the Canada Life Assurance Co. He is also a director of the C.P.R. and the Bank of Montreal.

52 LIFE AGENTS ACHIEVE HONOR OF C.L.U. DEGREE

Results Are Announced of Coveted Insurance Award

Some 52 Canadian life insurance underwriters may add the letters C.L.U. to their names as a result of the examinations held by the Institute of Chartered Life Underwriters of Canada, in various parts of the Dominion last April. This institute has done a splendid work in raising the level of competency among life insurance underwriters and the degree granted by the association in Canada is an extremely coveted one.

The examinations of the institute cover life insurance fundamentals and practice life insurance history, laws governing life insurance both Dominion and provincial, life underwriting including a knowledge of business law and practice, succession duties etc., salesmanship and ethics.

The following is the list of successful candidates by provinces:

BRITISH COLUMBIA

New Westminster:
Frederick A. H. Devinney, London Life.

Vancouver:
Jack Barraclough, London Life; Reginald N. E. Harris, Dominion Life; Robert R. Reid, Mutual Life of Canada; Bertrand Bampton, Canada Life; John A. McLuckie, Dominion Life.

ALBERTA

Calgary:
Frank Thorpe, London Life.

SASKATCHEWAN

Regina:
Donald Hawkin, Canada Life; Norman Langdale, Great West Life; Chas. W. McPhail, London Life; Harry L. Turner, Great West Life.

Saskatoon:
Oscar R. Powell, Continental Life.

Shaunavon:
Stanley Linton, London Life.

Waseca:
Henry B. Rowed, Excelsior Life.

Yorkton:
Bertram L. McMullin, Metropolitan Life.

MANITOBA

Winnipeg:
Wallace McLandress, Sun Life; John Nursall, London Life; Calvin W. Finch, Imperial Life.

ONTARIO

Hamilton:
A. W. E. Van Someren, Travelers Ins. Co.

Kingston:
D. R. Roughton, Mutual Life of Canada.

London:
J. A. Eric Graham, London Life; Steele C. MacKenzie, Sun Life.

Mt. Brydges:
Frederick A. Lockwood, Sun Life.

North Bay:
James Broadley, London Life.

Ottawa:
John D. Murray, Great West Life.

Peterboro:
Malcolm G. Cook, Sun Life; Charles J. Ray, Sun Life.

Port Dalhousie:
John Crothers, London Life.

Sandwich:
George A. L. Gibson, Sun Life; J. Edgar Young, New York Life.

St. Catharines:
Walter D. Hannah, Dominion Life.

Toronto:
John A. Barron, Confederation Life; Horace T. Creighton, Sun Life; Chas. V. Earl, Sun Life; Howard B. Hoffman, Mutual Life of Canada; William Howarth, Crown Life; John E. Newdick, Sun Life; John F. Smith, Sun Life; William R. Smith, Mutual Life of Canada; James M. Tory, Sun Life; Harry S. Waugh, Imperial Life; Geo. P. Weir, North American Life.

Windsor:
Peter Brown, Mutual Life of N. Y.; Percy P. McCallum, London Life.

QUEBEC

Montreal:
Albert D. Foster, Sun Life; Robert J. Hart, Canada Life, (St. Laurent, Que.); John J. O'Grady, London Life, (Outremont, Que.); A. D. Poitras, Sun Life; Irving Riddell, Canada Life.

PRINCE EDWARD ISLAND

Charlottetown:
Fred W. Hyndman, Great West Life; Edwin C. Johnstone, Dominion Life; John A. MacKenzie, Dominion Life.

ALLIANCE ASSURANCE PRESENTS '29 REPORT

Substantial growth in spite of a trying year is reported by the Alliance Assurance Co. of London, England for the year ending Dec. 31, 1929. E. E. Kenyon is Canadian manager of the company, which writes fire insurance and all types of casualty business in Canada. As at the end of 1929, the company had $95,000,000 of business at risk in Canada and in that year wrote premiums of over $547,000.

The company's head office statement shows life business written during 1929, totalled £3,027,438, passing the three million pound mark for the first time in the history of the company. Net premium income on life policies for the year amounted to £1,379,387.

Premium income on fire business, at £2,059,809, was £17,030 in excess of the 1928 figures. Losses were substantially higher, so that the profit for the year was below that of the preceding period.

Net income on marine account amounted to £587,552 and claims paid totalled £403,349.

Casualty business reveals a further growth for the year, combined premium income of the various accounts, including accident, employers' liability, and automobile insurance being £1,227,737 as compared with £1,054,175 in 1928.

Total assets are shown on the balance sheet at £33,229,971. Underwriting funds aggregate £28,308,944; profit and loss balance £1,231,963; and reserves £1,535,478.

ZURICH ACCIDENT WRITES BIG GROUP OF CIVIL SERVANTS

Over 1,000 Employees Eligible for Blanket Auto Policy

Between 500 and 1,000 civil servants of the Dominion government are to be insured under a big group automobile insurance policy according to plans now under way at Ottawa. The policy has been placed with the Zurich General Assident & Liability Co. and will be available for use by civil servants of the Dominion government in Canada, whose official duties require them to drive motor vehicles owned or rented by the government.

The need for such a policy arose with the recent announcement of the Deputy Minister of Justice, that civil servants driving government cars as part of their official duties, would be liable henceforth for any accident which might happen to their cars. This ruling called for some action toward protecting this body of men numbering over 1,000.

As a result, the new legislation committee of the Professional Institute of Civil servants in Canada was faced with the duty of solving the problem and finding some satisfactory solution. It is now announced that the executive of the institute has accepted the offer of the Zurich General, to cover all the membership of the institute through a Dominion-wide group policy.

The requirements of the company is that 400 members of the civil service throughout the Dominion shall accept the offer and in order to secure this number of applicants the executive of the institute has decided to extend the scheme to members of every branch of the service whose duties require them to operate a motor driven vehicle This means that it will be applicable not only to drivers of ordinary government passenger cars but to motor trucks and motorcycles and also gasoline tractors, electric baggage trucks such as are owned and operated by the post-office department.

The company's offer is as follows:

"For an annual charge of $11 per man, we will give protection against all public liability claims with a limit of $5,000 for any accident to any one person, or $10,000 for two or more persons, and against property damage claims up to a limit of $1,000.

"For an annual charge of $13 per man, we will give the same protection, but with a limit of $10,000 for any one person and $20,000 for two or more persons. The limit for property damage will be $2,000.

"This coverage is confined entirely to, and will only be in effect when the named person is driving a car owned or leased by the Government.

"These prices are named on the assumption that there will be some four hundred availing themselves of this protection.

"For an additional annual charge of $4 per man, we will include accident insurance for the driver, which will protect him while driving, operating, riding in or on, cranking or adjusting any automobile; or in consequence of being struck down, or run over by any automobile; or injuries caused by burning or explosion of any automobile. The benefits payable under the policy are as follows:

"$25 per week for total disability for 30 weeks.

$25 per week for Hospital charge for 5 weeks.

$25 fee for physician's services "and for loss of life, both hands, both eyes, we will pay, in addition to the above, $1,000. We can give this provided not less than 50% of the total accept the coverage."

The plan is to be effective from October 1st next, this date being selected to give ample notice to the Institute membership and other civil servants and Government employees generally throughout the Dominion.

Insurance Inklings

THIBAUDEAU & CO. of Montreal have been appointed Canadian agents of the General Insurance Co. of America, the First National Insurance Co. of America and the Atlantic and Pacific Underwriters. This group of companies, known as the "General America" group has its head office in Seattle, Washington. The new agents will shortly open a branch office in Toronto. In addition to fire insurance, all lines of casualty will be written except workmen's compensation.

F. J. TELFER has been appointed superintendent for Quebec province by the Ocean Accident & Guarantee Co. to succeed J. W. Wetmore who has retired.

C. H. CARPENTER, formerly general manager of the National Life Assurance Co., has been appointed joint branch manager of the Los Angeles branch of the Canada Life.

GERALD C. EDWARDS has been appointed acting general manager in Canada of the Zurich General Accident and Liability Insurance Co. John H. Burgar has been appointed superintendent of all the company's branches.

CHARLES J. ELLIS has been appointed branch manager of the Montreal Life Insurance Co. at St. Johns, Newfoundland. A. E. Hickman Co. of Newfoundland were recently appointed agents for the company in the Dominion.

R. J. ATKINSON, has been appointed district supervisor for the London Life Insurance Co. with head office at Moose Jaw.

F. MARSH of Vancouver has been appointed agency manager of the Columbia Life Assurance Co. for the province of British Columbia.

EDWIN PRESTON has been appointed district manager in charge of Windsor territory, for the Excelsior Life Insurance Co.

Norman Jones, of Hamilton, Was Prominent Underwriter

Norman H. Jones, whose death occurred in Hamilton last week, was president of Seneca Jones & Son, insurance company in that city. The business was founded by the late Mr. Jones' father, Seneca Jones, in 1872. The company had branches in Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal, St. John and Charlottetown.

The late Norman Jones was chief Canadian agent for the Mill Owners Mutual Fire Insurance Co. of Iowa, and the Fidelity Insurance Co. of Canada, and was for many years chief agent of the Northwestern Mutual Fire Association of Seattle, Wash. He was one of the best known fire insurance agents in the dominion.

Heads Confederation Life

CHARLES S. MACDONALD
Newly-elected president of the Confederation Life Association, succeeding the late Peleg Howland. Mr. Macdonald is also general manager of the company.

Confederation Makes History In First Half

The Confederation Life Association had the greatest month in its history in June, issuing $7,227,768 of new business during the month. The first six months of 1930 are also a high water mark in the company's history, the total new business issued during the period amounting to over $36,000,000. The company now has $358,745,713 of insurance in force, of which $342,864,887 is ordinary insurance and $15,880,836 is group.

In the ordinary insurance field the company shows an increase for the month in total insurance in force of $2,589,366, while for the year to-date, the increase is $16,558,580 in this department.

This year the company has made tremendous strides in the group insurance field having branched out considerably along this line. At the end of 1929 the company had just over $9,000,000 of group business in force and in that entire year the total amount of group business written by the company was only $4,000,000. This year in the first six months, the company has already issued nearly $5,500,000 of new group business and has a total business in force in this department of nearly $16,000,000.

Enlarge Terminal Elevator

Tenders for building the new 2,000,000 bushel addition to the Federal Government terminal elevator at Moosejaw are now closed. The expenditure is estimated to be in the neighborhood of $600,000. It is anticipated that following the awarding of the contract the erection of the building will proceed.

SOUTH. ALBERTA SEES RAGGY CROP IN MOST AREAS

Recent Rains But Partly Offset Indifferent Growth

From Our Own Correspondent

LETHBRIDGE, Alta.—July finds the crop situation in southern Alberta on the "ragged edge." That is, we cannot hope for a bumper crop. Only a fair crop can be harvested now by reason of the protracted hot, dry spell during the early growing season. June was dry, which slowed up growth and the result is that grain is beginning to head out short with a skimpy stand in many cases. The wheat crop in this territory should exceed 26,000,000 bushels as compared with 37,000,000 last year, although it is difficult to forecast at this moment. Use of the combine will help greatly in saving short stemmed crops.

The situation was relieved to some degree around the 10th and 11th of July by copious rains varying from a quarter to an inch and a half of precipitation.

Wheat seeded on stubble or spring plowing is practically a failure, proving again that indifferent farming practices never get a farmer very far. In contrast with these "burnt out" fields stand out summer-fallowed crops which are holding up under the dry spell with astonishing stoutness. This class of acreage is looking good and it is upon summerfallow that southern Alberta will depend for its wheat output this season. With a few showers during July the heads will fill out nicely and give a fair crop.

Fall wheat and rye are short and some fields are being cut for feed. Lack of moisture shattered a good start made by these crops and little will be threshed.

The late sown crops both of wheat and coarse grains are the best this year as they were in better shape to resist drought. In southern Alberta rain is badly needed, but in the southwest crops are in good shape also in the district between Macleod and Aldersyde. The Vulcan, Champion and Carmangay districts are good, but rain is needed to fill out the heads. South of this city on the Coutts and Cardston lines crops are fair and a substantial volume of wheat will be threshed, but no big crop.

Sugar beets, which with wheat constitutes the irrigation farmers' major cash crop, are excellent and thrifty growth is reported. There was good germination resulting in healthy stands.

Livestock Flourishing

Livestock are flourishing on the whole, but the sheep and wool industry is somewhat depressed due to low prices both on mutton and wool. A fine wool clip has been taken from the backs of both farm and range flocks, but growers are only realizing from six to ten cents a lb. for their crop. Imports of Australian mutton have hurt the market for the Canadian sheepman. Hogs are being turned off at profitable prices and farmers are doing nicely with this class of stock. Dairying is beginning to pick up also.

Construct Storage Dam

Construction of the Haddo Dam, a storage addition to the Vernon irrigation system, began on June 16, and is expected to be completed by the end of October. The dam site is 27 miles from Vernon on an affluent of Jones Creek, and is adjacent to the main reservoir of the present system at Aberdeen Lake. The new structure will cost approximately $45,000.

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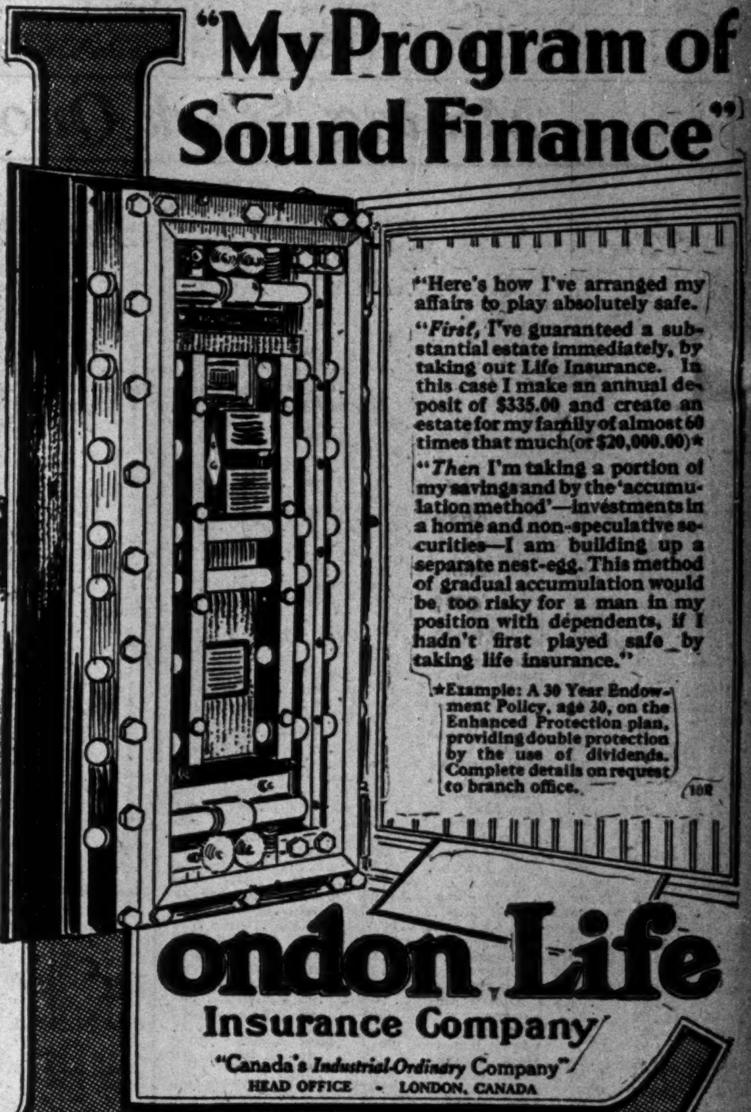

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Tragically startling are Government figures revealing that deaths by drowning *almost equal* those caused by auto accidents. In its current Welfare ad this company advocates learning to swim and how to revive the apparently drowned. Its booklet, "Artificial Respiration" shows by diagrams how to restore breathing by manipulation of the apparently drowned body. A copy will be sent, free, on request for booklet F 7.

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EXTRACTS FROM THE COMPANY'S REPORT FOR THE YEAR 1929

Premiums	$ 27,343,285
Interest from Investments	6,916,538
Total Income	$ 34,259,823

FUNDS OF THE COMPANY

Paid-up Capital	$ 5,000,000
Life Assurance and Annuity Funds	108,965,158
Fire Insurance Fund	14,119,620
Sinking Fund and Capital Redemption Insurance Fund	5,864,607
Marine Insurance Fund	5,829,783
Personal Accident, Employers' Liability and Miscellaneous Insurance Funds (which include $767,449 for estimated outstanding claims on the Accounts)	6,765,554
Reserve	4,000,000
General Account	2,177,391
Pension Reserve Fund	1,500,000
Profit and Loss Account (subject to Dividend on Share Capital)	6,159,818
	$160,381,931
Reserve for Outstanding Claims and other Liabilities (as per Balance Sheet)	5,767,926
Total Assets	$166,149,857

($5 taken as equivalent to £1 sterling).

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Current Events in Banking World

WORLD CURRENCY NOT PRACTICABLE AUTHORITY SAYS

Difficulties to Be Met Are Too Great For Advantages Received

Unification of the world's currencies to coins uniform in weight and fineness is an ideal the advantages of which would not be worth the effort of solving the political and other difficulties which must be surmounted before a world currency could be established, in the opinion of Prof. Melyhoir Palyi, banking expert and advisor to the Deutsche Bank, Germany, as expressed in an article entitled, "Prospects of a World Currency" and reviewed by the American Banker.

Advantages but Slight

An uniform currency would appear to have advantages from the standpoint of international trade but Prof. Palyi points out that gold, so far as it is put into operation, is already an international currency even if it is not a unit of calculation. Payments are made in gold whether the unit used is the dollar, pound, mark or franc.

Exchange difficulties are unimportant, it is stated, and so are exchange rates of currency moving within the upper and lower gold points. Movements of exchange quotations between countries having gold currencies are only a slight drawback since exporter and importer can cover themselves by means of exchange futures against any risk connected with these fluctuations. "Moreover," says Prof. Palyi, "these movements of exchange are not without utility. They form a barometer on which a country's balance of payments can be easily read at any time." Furthermore the introduction of one uniform currency throughout the world would not abolish these fluctuations if this currency union consisted merely of an agreement as to the name and coins of the new monetary or standard.

World Currency Not Practicable

Since gold already operates as a super-currency, and since all calculations in international trade are made not in national currency, but in gold, Prof. Palyi argues that the "adoption of a world currency would, therefore, mean no real progress, unless it were accompanied by a unification of note-issuing banks and credit systems. fluctuations in exchange rates could be abolished only if we had a central bank of issue, a League of Nations Bank, with a position in the international money market similar to that of the national banks of issue in their respective countries."

These considerations, Prof. Palyi observes, make it clear that the second part of the above question, to-wit: "Could it be carried out." must be answered in the negative, the centralization of the world's bank note system would be impracticable at present.

While admitting that the mere unification of the means of payment, such as coinage would possess the advantage of simplification, Prof. Palyi believes that this would not be of great value since international trade dealings are now reckoned mostly, not in national currencies, but in English pounds or American dollars. Although bills and invoices would be brought to a common denominator, national vanity would be an obstacle, and, in nearly all countries, the plan would involve an alteration in the units in which people are accustomed to reckon. Such a change during the period of transition would be burdensome.

Bank Chat

The BANK of NOVA SCOTIA opened a branch on July 10 at Sherbrooke and Grand Boulevard, Montreal, with S. J. DUNSFORD as acting manager.

R. M. GEMMEL, manager at Ottawa for the Bank of Nova Scotia has been granted a two months' furlough and is visiting the Old Country.

RALPH ECKEL, who has been connected with the foreign exchange department of the Royal Bank in Paris, France, for the past 11 years, has returned to Canada and joined the head office staff at Montreal.

F. W. COVERS of Innisfail, Alta. has been appointed to succeed R. McDONALD, manager of the Royal Bank at Fernie, B. C., who has been detailed to special service.

ALVIN McNEILL, formerly teller at Palmerston, Ont. for the Royal Bank has been transferred to Ingersoll and is succeeded at Palmerston by R. J. H. WRIGHT, formerly of Dundalk.

ERIC R. QUILTER, formerly assistant accountant at Wolfville, N. S. for the Royal Bank has been transferred to the supervisor's department of the bank at Toronto.

The BANK OF NOVA SCOTIA has opened a branch at Yonge and Broadway, Toronto, with T. L. McGHIE in charge.

The Canadian Bank of Commerce advises that F. L. NUNNS, manager at Sutton, Que., has been appointed manager at Cowansville, Que., in place of J. H. DOAK. H. A. JOHNSTON, manager at Star City, Sask., has been ap-

B.I.S. Initial Statement Shows Assets $238,858,620

The first statement of the Bank for International Settlements as at June 30, shows total resources of 1,085,721,000 Swiss francs or, in U. S. dollars at par of exchange, about $238,858,620. The bank had funds in 17 European currencies, in addition to United States and Japanese and had private deposits from over 12 central banks of issue.

The assets of the bank included cash, 0.5 per cent; sight and up to 90-day deposits in other banks, 45.5 per cent; investments up to 90 days at purchase price 47.6 per cent including acceptances and treasury bonds; investments over 90 days at purchase price, 6.3 per cent; and miscellaneous 0.1 per cent. Issued and paid-up capital amounts to 9.4 per cent of liabilities, special deposits including trust accounts and for German government, 25.3 per cent; sight deposits, 24.7 per cent; time deposits, representing undistributed proceeds of German loan, 40.4 per cent and miscellaneous, 0.2 per cent.

Severe Lesson is Learned By Grain Farm. Community

"There is no doubt in my mind but that the North American grain farming community has learned a severe lesson this year because of recent market movements," says A. J. Youngman, resident director of the H. V. McKay Company of Melbourne, Australia, on his return to Toronto after an extentive trip through Kansas and Texas to witness the Sunshine-Waterloo combine in operation. "The tendency henceforth will be towards lower costs of production and the most practical medium for its attainment is the universal adoption of the combine-harvester-thresher which is both economical and efficient."

Bank Debits Supersede Clearings as True Index

Avoid Many Errors of Former System and Afford More Accurate Comparison of Banking Activity

The use of debits to individual accounts as an index of banking activity in different sections of Canada is coming into widespread use as opposed to the use of bank clearings and the movement is also showing considerable progress in the United States, although the different banking system prevailing in that country has offered difficulties to such thorough collection of data as is possible in Canada.

Since January, 1914, the monthly totals of debits in Canadian banks have been collected by the Canadian Bankers' Association and published by the Dominion Bureau of Statistics. While figures of weekly and monthly clearings are still made available there is a more general appreciation of the weaknesses of these figures as a reliable index and statisticians are using the totals of debits almost exclusively.

In the United States, until the creation of the Federal Reserve banks, banking was a highly individualized business with no point of contact except through the various clearing houses. Outside of the larger cities there was no machinery by which there could be collected a periodical tabulation of volumes and the total of clearings as an index was objectionable because the figures lacked universality and could not be freed from duplications which caused cumulative errors.

There are now some 400 clearing houses in the United States and with the co-operation of the Federal Reserve banks these have enabled the collection of the totals of debits which are recognized by economists and statisticians as presenting a much better index of banking activity than the total of clearings and, while the latter totals will still be available for some time, their use is being rapidly discarded in favor of the newer figures.

Clearings Not Reliable

Clearings represent inter-bank transactions but do not record the transfer of values made between branches of the same bank. Thus, when one bank absorbs another, transactions which were formerly inter-bank transactions and noted in the total of clearings, will become inter-branch transactions and will not be recorded; the apparent volume of clearings will decline, although the actual volume of business may be just as great. The volume of clearings as reported would also vary between cities according to the number and size of banks operating in each city. Naturally, the fewer the banks in a city the greater volume there would be passing through any one branch, while a city of comparable size and financial activity but with a greater number of banks would record a larger volume of business. Comparison of cities on the basis of clearings, therefore, became meaningless.

Another feaure which reduces the value of clearings as an index is the change in the value of the dollar. When the purchasing power of the dollar goes up the total of clearings will decline, although the physical volume of business may be as great as ever. The public is able to secure more goods for the same money as formerly or the same volume of goods for less money and clearings will fall off due to this fact. Inversely, when the value of the dollar declines there may be an increase in clearings which would appear to denote an increase in activity which really does not exist. During a period of intense speculation, such as preceded the stock market decline of last fall, clearings will also show an increase which is not a true picture of the actual state of business.

Debits More Accurate

Debits to individual accounts, on the other hand, constitute a total of all cheques charged to depositors' accounts representing an out-payment of funds on deposit. In Canada, this includes the payments made by every branch of the 11 chartered banks and is, therefore, a complete coverage of the entire banking system of Canada. The Dominion is divided into 33 clearing house centres under which returns are grouped and published.

Each branch reports to the head office of its respective district at the end of each month. The district office forwards the figures tc the head office which, in turn, supplies the figures for its branches to the Canadian Bankers' Association. The Department of Trade and Commerce of the Dominion Bureau of Statistics publishes the figures monthly. While these figures are not entirely free from the drawbacks of the totals of clearings, the totals are larger and are not influenced by the number of banks reporting. There is not the same amount of duplication and errors are largely reduced.

The fact that the totals of debits are not published for some weeks after the close of the month reduces the immediate value to some extent, but, on the other hand, while bank clearings, as reported by the clearing houses throughout Canada, are given each week, the weekly totals do not present a true picture. are subject to distortion and cannot be totalled to give the monthly figures of clearings. In addition, the reports from one or more of the clearing houses are usually omitted each week and it is, therefore, impossible to draw a grand total for the week. In the Canada Year Book for 1929 it is noted that, while bank debits for 1928 show an increase of 60 per cent over the figures for 1924, bank clearings show an increase of only 44 per cent during the same period.

Recognize Debits in U. S.

Various clearing house associations in the United States have recently resolved against publication of clearings, the consensus of opinion bearing out the unreliability and misleading character of such figures as a measure of the business activity in any city, since the clearings are dependent upon the number of banks in the city, their relative size and other contributing influences, regardless of the actual amount of business transacted by the banks.

The commission on Bank Management of the American Bankers' Association in backing this movement recently recommended that "while it was largely recognized that 'clearings' as an index still has some value, and particularly in the largest cities, it was recommended that as rapidly as possible all those interested should employ the new index of debits to individual accounts" to the end that as soon as it can be conveniently done this new index should come into universal use to the exclusion of all others. To assist this change, the committee invited the co-operation of all authorities, students and the press.

Newfoundland Salmon Must Bear Trademark

That Newfoundland's salmon exports to Great Britain will shortly all have to be marked, is indicated by the fact that a deputation representing the salmon and trout-fishing trades recently appeared before the merchandise marks committee of the ministry of agriculture in London, and demanded that such action be taken. As there was no opposition the application was duly reported to the department.

Apparently Newfoundland salmon can hardly be distinguished from fresh and is commanding high prices alongside fresh Scotch salmon. It is appearing on the wholesale markets on a large scale, it is said.

The object of the application was to stop the growing practice of selling imported salmon with an indication that it was fresh. Salmon from Norway, Holland, France and Ireland, however, was not included, for it can be brought to England in a matter of a few hours.

Weekly Bank Clearings

Eastern Cities

	July 12, '29	July 10, '30
Halifax	$ 5,339,025	$ 4,701,803
Moncton	1,054,780	1,128,891
Sherbrooke	1,056,505	1,190,552
Quebec	7,995,664	7,489,875
Montreal	170,805,690	138,184,353
Ottawa	8,651,751	7,660,603
Toronto	159,300,220	119,768,752
Hamilton	6,813,000	6,299,810
Brantford	1,854,593	1,585,776
Kitchener	1,488,950	1,146,127
London	3,766,596	3,486,380
Chatham	989,683	629,791
Saint John	....	2,600,229
Sudbury	....	1,224,318
Windsor	5,568,276	4,514,532

Western Cities

	July 12, '29	July 10, '30
Fort William	$ 1,006,604	$ 937,797
Winnipeg	74,814,534	54,975,174
Brandon	803,277	568,577
Saskatoon	3,258,642	2,525,379
Regina	6,583,290	86,074,155
Moose Jaw	1,638,661	1,316,625
Prince Albert	517,282	475,421
Edmonton	6,728,408	6,112,611
New Westminster	1,014,234	3,479,272
Vancouver	24,832,408	20,792,306
Victoria	3,300,633	1,479,272
Medicine Hat	653,716	435,157
Lethbridge	721,034	581,349
Calgary	10,564,368	6,533,417

Do something practical

You *want* to build up an estate, of course. There is only one practical way. Begin with a Savings Account. Deposit regularly. In an astonishingly short time you will have accumulated a fund that will represent the foundation of an estate. Any branch of this bank will welcome your account.
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IMPERIAL BANK OF CANADA
HEAD OFFICE · TORONTO
Capital and Reserve $15,000,000
Sir James Woods, Vice-President
A. E. Phipps, General Manager
209 BRANCHES THROUGHOUT CANADA

Call Loan Charges Will Be Maintained

Despite the low prevailing rates for call loans New York bankers will not reduce the charge of one-half of one per cent which is made for the placing of loans of individuals, corporations and foreign lenders in the call money market, it is reported. While this charge constitutes a commission of up to 33 per cent of the interest received for such loans it is claimed that the charge represents merely the cost of services rendered plus a small profit and that the cost remains the same as when rates were much higher.

Prior to April 10, 1929, the charge was 5 per cent of the interest earned on a call loan, an arrangement which came to be regarded as requiring an excessive amount of figuring and which was unsatisfactory. To simplify the process, the cost of handling call loans was determined and a flat rate of one-half of one per cent per annum was fixed. This plan has worked to the satisfaction of New York bankers who can see no reason for changing at this time.

NEW HALIFAX BRANCH HAS CANADIAN MOTIF

Bank of Nova Scotia is Building Modern Banking Premises

Construction of the new Bank of Nova Scotia building in Halifax is reported to be well under way and plans of the structure show it to be a modern banking establishment in every respect. It is expected that at least a portion of the building will be ready for occupancy by May 1, 1931.

In addition to the main floor which will be devoted to the business of the bank there will be four floors of office space available. The design of the building, however, denotes its specific institutional character and preserves certain of the classical traditions. There is however a distinctly Canadian motif in the decorative treatment which is instantly apparent. Canadian products such as grain in the sheaf, fruits, flowers, animals and marine life are represented throughout the decoration. Over the main entrance will be a reproduction of a famous old clipper ship the "W. D. Lawrence."

The main banking room will be on the street level and 72 feet long by 57 feet wide with a 30-foot ceiling. Floor and counters will be of marble and walls of Italian travertinestone finish. Safety deposit vaults with coupon and conference rooms will be located in the basement and may be readily reached from the main floor by a massive staircase. The four office floors will contain some 24,000 square feet of office space and will be served by two modern elevators.

Manitoba Telephones Prosper

A recent report issued by the Manitoba Telephone Commission shows an increase of about $1,000, in gross revenue for May over the previous month, in spite of the fact that expenditure for both operation and maintenance were slightly higher in May. Net earnings for the six months since November 30, 1929, were $95,289.

BIRD'S-EYE VIEW OF WORLD FINANCE

Brief, Intimate Glances at Trend of Things Economic

Prepared weekly by the Bankers' Bond Company, Toronto

Canada

Trade conditions are generally reported to be quiet, while in some districts it is summed up as being fair; manufacturing operations are being well maintained although levels are below last year. Indicated corn production is however 10 per cent above last year. Other cereals show increased acreages while areas under vegetable cultivation have also been extended. The condition of all wheat in Canada is given as 91 per cent of the 10-year average against 88 per cent at this time last year. It is generally expected that the carry-over this year would prove to be larger than last year. Already, the excess is in the neighborhood of 13,000,000 bushels in wheat. The weight of such large stocks in view of the declining market and the approaching of the new season makes one believe that prices cannot be sustained. The position of the Federal Farm Board now holding over 60,000,000 bushels of wheat has not yet been clarified, although the President of that organization expects the value of wheat to advance by the time the new crop is harvested. Such an assumption needs certain substantiation which have not yet been provided.

United States

Copper statistics provide a surprise for the month of June. Although there has been a certain amount of buying by Europe owing to the lower prices patent, actually stocks of refined copper in North and South America amounted to 316,762 tons on June 30 last, the largest amount since September, 1921, and an increase of more than 8,000 tons compared with May 31, 1930.

Pegging of prices in other commodities have proved ineffective and the time approaches when in order to overcome uneconomic stock levels, gasolene prices will need to be readjusted so as to encourage consuming interests. The world is aware that the potential supply of oil on the American continents is enormous but it also knows that the consumption of this product has not increased at the pace set by reckless producers.

United Kingdom

Bank of England's weekly statement showed a decrease in bullion holdings of over £500,000 while the decrease in public and other deposits totalled nearly £10,000,000 against increase of nearly £22,500,000 the previous week at which time the half yearly annual balances of other banks were calculated. The proportion of the bank's reserves to liability is 45.88 compared with 40.02 a week ago. The monetary half year has been one of successive declines in the bank rate with the average for the current year at £3 16s 8d per cent the lowest since 1923, as compared with £5 5s 11d per cent in the first half of last year. The underlying factor in the developments of the past six months have of course been the drop in commodity prices, which with its inevitable reaction upon trade in general has exerted a heavy downward pressure on money rates. Barclays Bank indicate an increase of over $37,000,000 in deposits during the first half of the current year while total reserves are 5 per cent below the corresponding period of the year before.

There has been considerable interest in U. K. trading circles at the reports that representatives of the Russian Government were in the market for cotton yarns. It is understood that the financial side of the transactions has resulted in twelve months' credit being given to the Soviet Government.

General

Sir Otto Niemeyer of the Bank of England has proceeded to Autralia for the purpose of advising the Australian Federal Government regarding their financial and economic problems which have tended to have adverse reactions on British industries.

While the iron and steel industries of the U. S. give recessive indications a report recently published by the British delegation which investigated conditions in the European iron and steel industries discloses that there is actually a definite shortage of labor in France while in Germany there is considerable unemployment. The average weekly wage of all workers was: France, 37s; Belgium, 35s 5d; Luxemburg, 36s 7d; Germany, 50s 11d; Czechoslovakia, 30s 5d. The iron and steel industry of France has considerably increased its capacity and become equipped with the most modern plant. This has been carried out mainly by Reparations, and has been assisted by the depreciation of the franc. In addition, the valuable ore fields of Alsace-Lorraine are now at the disposal of the industry. The post-war development of the industry has been so great that a serious shortage of labor had to be faced. This has been dealt with by a co-ordinated system of importance foreign labor, and such importation still continues.

Considerable evidence is being gathered at present that Eruope is rapidly growing machine minded and that mass production will hitherto be the watchword. The U. S. for the first five months of the current year, exported over $270,000,000 worth of machinery to Europe showing an increase of 6 per cent over last year. Most of the European nations are rapidly acquiring a stage where they would be self-sufficient and their needs for the various necessities of life, which to some extent had been imported from the North American continent be fulfilled locally.

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DIVIDEND NOTICES

MAPLE LEAF MILLING COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Quarterly Dividend has been declared of one and three-quarters per cent (1¾%) on 7% (First) Preferred Stock, payable July 18th, 1930, to Shareholders of record at close of business July 17th, 1930.

By Order of the Board,
J. A. LEHMAN,
Secretary.

THE BANK OF TORONTO

Dividend No. 196

Notice is hereby given that a Dividend of Three per cent. upon the Paid-Up Capital stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its branches on and after the second day of September next, to shareholders of record on August 15th, 1930.

By Order of the Board.
H. B. HENWOOD,
General Manager.
Toronto, July 9th, 1930.

The Royal Bank of Canada

DIVIDEND NO. 172.

NOTICE is hereby given that a dividend of three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Tuesday, the second day of September next, to shareholders of record at the close of business on the 31st day of July.

By order of the Board,
M. W. WILSON,
General Manager.
MONTREAL, Que., July 15, 1930.

Disher Steel Construction Company, Limited

DIVIDEND NOTICE

Notice is hereby given that the third regular quarterly dividend of 37½c per share has been declared on the Class "A" Cumulative Redeemable Preference Shares of Disher Steel Construction Company, Limited, payable on the First day of August, 1930, to shareholders of record on the Fifteenth day of July, 1930.

By order of the Board,
DONALD H. ROWAN,
Secretary.
Toronto, July 11th, 1930.

FOREIGN POWER SECURITIES CORPORATION Limited

6% Preferred Dividend No. 13

A Dividend of one and one-half per cent. (1½%) (being at the rate of 6% per annum) on the 6% Cumulative Participating Preferred Stock of Foreign Power Securities Corporation, Limited, has been declared for the quarter ending July 31st, 1930, payable August 15th, 1930, to shareholders of record at the close of business on July 31st, 1930.

By order of the Board.
L. C. HASKELL,
Secretary.
Montreal, June 27th, 1930.

Blue Ribbon Corporation Limited

NOTICE is hereby given that a dividend of eighty-one cents (81c.) per share on the 6½ per cent Cumulative Convertible Redeemable Preferred Shares of the par value of $50 each in the capital stock of Blue Ribbon Corporation Limited for the quarter ending July 31st, 1930, has been declared payable on and after August 1st, 1930, to shareholders of record on July 13th, 1930. The transfer books will not be closed.

Dated at TORONTO, ONTARIO, this 11th day of July, 1930.

J. C. JAMIESON,
Secretary-Treasurer.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

SOUTHERN CANADA POWER COMPANY LIMITED

Common Dividend No. 21

A DIVIDEND of Twenty-Five Cents (25c) per share, being at the rate of $1.00 per annum, on the NO PAR VALUE COMMON STOCK OF SOUTHERN CANADA POWER COMPANY, LIMITED, has been declared for the three months ending July 31st, 1930, payable August 15th, 1930, to shareholders of record July 31st, 1930.

By order of the Board,
L. C. HASKELL,
Secretary.
Montreal, June 27th, 1930.

FROST STEEL & WIRE COMPANY, LIMITED

First Preference Dividend

Notice is hereby given that the Quarterly Dividend of 1¾% on the 7% Cumulative Redeemable Sinking Fund First Preference Shares, was declared for the quarter ending July 31st, 1930, payable August 1st, 1930, to shareholders of record at the close of business July 15th, 1930.

By order of the Board.
CHAS. A. SMITH,
Secretary.
Hamilton, Ont., July 14th, 1930.

Class "A" Pref. Dividend

Notice is hereby given that the Quarterly Dividend of 1¾% on the 7% Class "A" Cumulative Redeemable Participating Preference Shares was declared for the quarter ending July 31st, 1930, payable August 1st, 1930, to shareholders of record at the close of business July 15th, 1930.

By order of the Board.
CHAS. A. SMITH,
Secretary.
Hamilton, Ont., July 14th, 1930.

H. SIMON SONS SALES IMPROVE BY 5 PER CENT

Six Months' Results Show Satisfactory Progress

PROSPECTS ARE GOOD

Preferred Dividend Requirements Lessened as Company Continues to Redeem Stock

From Our Own Correspondent

MONTREAL.—Sales of H. Simon & Sons, for the first six months of the current year were 5 per cent ahead of those for the same period in 1929. Business is reported to be well maintained and prospects for a further improvement are apparent. The gain in sales at the end of the company's half year can be considered particularly favorable in view of current conditions.

The company is not planning the introduction of any new merchandising innovations in the immediate future but is waiting for a betterment in the general market for high-grade cigars. Simon & Sons has always been aggressive in introducing new merchandising ideas and since the inception of the present company has made successful progress in the stimulation of sales by these methods.

Thomas Harkness & Sons, which was acquired in 1929, is proving a satisfactory asset and is supplying the parent company with its requirements in Sumatra wrapped cigars. Simon & Sons' business has been built up on the manufacture of high grade Java wrapped cigars and the acquisition of the Harkness Company has rounded out production. While it is thought that some reorganization of the Harkness plant may be undertaken in the future, no plans are under consideration at present.

Buys Stock in Market

Simon & Sons continues to redeem its preferred stock. It is understood that the company is purchasing practically all the preferred that is offered in the open market and the balance sheet at the end of the current year will reveal a further substantial reduction in the number of preferred shares outstanding. The policy, which has been steadily pursued since the preferred stock was offered to the public, has strengthened the position of the common shareholders.

Originally $1,000,000 of 7 per cent preferred stock was issued. At the end of 1928 there was outstanding $850,000 and at the close of business last year this had been reduced to $628,500. Preferred dividend requirements will be proportionately less during the current year.

At the same time the dividend on the common stock has been increased. An initial dividend of 50 cents a share was declared in June, 1929, followed by similar payments in September and December. In March, 1930, the dividend rate was raised to $2.50 annually and earnings indicate that an increase in this rate is possible.

Could Increase Payment

In 1929, net earnings, after providing for income tax, amounted to $219,260 and net profits, after deduction for depreciation and bad debts, totalled $201,272. After payment of preferred dividends and provision for preferred stock sinking fund there remained a sum equal to $4.56 a share on the common stock.

There are issued 30,050 shares of common. The preferred shares are convertible into common on the basis of two for one preferred and in 1929 this privilege was exercised in respect to 25 shares of preferred. The common stock outstanding was consequently increased by 50 shares. At present prices of about 32 the common shares yield 7.81 per cent. The preferred is traded at par.

Bad Java Tobacco Crop

The crop of Java tobacco has been exceptionally poor this year, and the supply of leaves for Java wrappers, of which Simon & Sons uses a substantial amount, is negligible. The company, however, is able to protect itself against the exigencies of such a situation through its ability to buy in large quantities at propitious times. Consequently the company always has about two years supply of Java wrappers on hand and one bad crop has no effect on its operations.

Economy in operations, aggressive merchandising methods and a conservative accounting policy should enable Simon & Sons to improve its position during the current year. Earnings have shown steady gains in the past and it is expected that profits for the first half of the current year reflect the increase in sales.

DIVIDEND NOTICES

THE TECK-HUGHES GOLD MINES, LIMITED

(No Personal Liability)

The Directors of this Company have declared a dividend of 15c per share, payable on August 1st, 1930, to shareholders of record at the close of business on the 17th day of July, 1930. The books of the company will be closed for transfer at the close of business on the 17th day of July, 1930, and will be re-opened for transfer on August 1, 1930.

WM. C. HIMROD,
Treasurer.

GENERAL STEEL WARES LIMITED

Preferred Stock Dividend No. 11

Montreal, July 15th, 1930.

A dividend of 1¾% upon the 7% Cumulative Redeemable Preferred Stock of the Company, for the three months ending July 31st, 1930, will be paid August 1st, 1930, to Shareholders of record at the close of business July 15th, 1930.

D. W. DICKSON,
Secretary.

Canadian Investors Corporation, Limited

Dividend No. 2

A DIVIDEND of 25 cents per share, being at the rate of $1.00 per share per annum on the capital stock of this corporation, has been declared for the quarter ended July 31, 1930, payable August 1, 1930, to shareholders of record July 15th, 1930.

By order of the Board.
M. J. PATTON,
Secretary.
July 10th, 1930.

Dominion-Scottish Investments Limited

NOTICE

Notice is hereby given that the Directors of the Dominion-Scottish Investments Limited, have declared a dividend on the 5% Cumulative Redeemable Preference Stock of the Company at the rate of 5% per annum for the quarter ending the 31st July, 1930, payable on the 1st August, 1930, to shareholders of record at the close of business on the 21st day of July, 1930.

By order of the Board.
C. R. ALDERSON,
Assistant-Secretary.
Toronto, 11th July, 1930.

Western Breweries Limited

Notice of Dividend

Notice is hereby given that a dividend of one per cent has been declared on the issued capital stock of the Company payable on the first day of August, 1930, to shareholders of record at the close of business on the 14th day of July, 1930.

By order of the Board of Directors,
A. C. JEFFERYS,
Secretary.
Winnipeg, July 11th, 1930.

Investment House Announces Appointments

G. W. M. WEBB — W. B. WATSON — A. E. BOOTHE — P. R. HAMPTON — B. N. BARRETT

Bell, Gouinlock & Co., Toronto, announces the election of G. W. M. Webb, A. E. Boothe and B. N. Barrett as members of the board of directors of the firm, and that W. B. Watson and P. R. Hampton have become associated with the company.

Shrewd Buyers Seeking Quiet Market Bargains

As the week passed by without the much-advertised bear raid in New York again disrupting prices on stock exchanges of Canada and the United States, feeling is growing among prominent brokers that the bottom of the stock exchange depression has been reached or is near. Trading may rumble along the bottom for a while with distinct gains in the fall. Professional operations and outright buying for investment marked operations of last week, with some short covering so that tendencies on the whole were rather upward than otherwise. Institutional buying was more marked and the marked increase of interest in bonds gave hope that a lively bond market would as usual usher in later a more active stock market.

Investment Banking Grows

Buying for a hold is increasing. Sentiment of investors may be aptly expressed in the words of one large buyer, "I do not know whether the bottom has been reached or not. I follow Rockefeller's advice to buy six points above the bottom and sell six points below the top. I am buying now even though there may yet be a recession in some of the stocks. I have been buying because I am afraid I will miss the boat if I do not buy now, stocks which I believe are at bargain prices."

This is the first real summer market in some years. Inactive trading was what brokers had come to expect in the summer, but recent years have fooled them so often that many brokerage firms urged their partners, officers and clerks to take their holidays in June this year. So far the busy time expected has not arrived.

Food Stocks Grow in Favor

The Forbes questionnaire sent quarterly to six hundred leading executives of the United States asking their opinion as to the five stocks which had the best chances of appreciation in the next few months. The first ten favorites at the end of June turned out to be, in the order named, American Telephone & Telegraph, U. S. Steel, General Electric, Standard Oil of N. J., General Motors, Anaconda Copper, Electric Bond & Share, United Corp., Radio Corp., and Westinghouse Electric & Manufacturing. Comparing this with the results of the questionnaire three months ago it is evident that the chief executives of the United States favor for present commitments the stocks of the leading companies of the nation. In the former questionnaire U. S. Steel was leading, and generally public utilities have been given precedence over steels.

It is interesting to note that stocks of food, investment trust, copper and radio companies are increasing in favor while there are declines more or less marked in the favor with which other classes are regarded. This applies as well to utilities and steels even though they still lead. There has been a large drop in the following of oil stocks. Interest in motor stocks has naturally declined 50 per cent.

Wheat in Store in Canada as at July 4, 1930, amounted to 126,285,000 bushels. This is a decline of only 5,500,000 bushels from the previous week's total, and compares with 113,311,276 bushels in store as at the same period in 1929. Reports from Montreal, Quebec, Sorel and Vancouver, according to the Dominion Bureau of Statistics, show that 2,822,000 bushels was shipped by vessel overseas during the week ending July 4, 1930. During the week ended July 7, 2,676,000 bushels were moved to Buffalo and other United States ports.

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TRUST AND LOAN HEAD GIVES VIEWS ON WHEAT POOLS

Effect on World Prices Negligible, Says Col. Peel

From Our Own Correspondent

MONTREAL—At the annual meeting of the Trust & Loan Company of Canada, held in London, attention was drawn by Colonel Sidney Peel, president, to the unsatisfactory conditions in Canada, arising out of the policy of the Wheat Pool.

After pointing out that during the past year the company had recorded an increase of $379,000 in land investment, and an increase of $116,000 in interest overdue, the president went on to say that there were two outstanding features in Canada from an agricultural point of view.

First, the wheat crop was, for Canada, a bad one. It was, in fact, only about half that of the preceding year, 272,000,000 bushels against 544,000,000 the year before. Secondly, the fall in the cost of raw materials, which has been a world-wide factor, was felt with a great severity in the price of wheat. The bad crop was caused by unfavorable conditions during the early part of 1929, and especially by a severe drought in the spring, which seriously affected the growing crops.

Comments Upon Pool

The president read a letter from the Regina office setting forth the conditions in that territory, and then went on to discuss the operations of the Wheat Pool.

"It does not appear that the operations of the wheat pools," he said, "have had any great effect on the world price of wheat. There was a very large world crop in the year 1928, with a considerable surplus covered over to 1929. In 1929 the crop did not come up to the level of the year before, but it was plentiful in many countries which are usually importers of wheat. There was, in addition, a world diminution of consumption. Whatever the causes, in July last, the price of wheat was about $1.75 per bushel. By the time the 1929 crop began to come on the market the price had dropped to about $1.50.

"The pool managers and many other people expected that the price would recover, and held their wheat accordingly. Unfortunately for their calculations, the price continued to suffer a drastic decline, and charges for interest, insurance and storage, combined to eat up the margin of security. Incidentally, the governments of each of the three provinces thought it advisable to pass legislation guaranteeing banks against any loss by reason of the advances made to the pools, in their respective provinces. . . .

Affect Farmers' Welfare

"The effect of all this is that a large number of farmers, who were formerly in good circumstances, have found themselves seriously affected, and this has naturally contributed to the increased amount of unpaid debts. It has also affected the ease with which the land can be sold, and accounts for the increase in our total land investment

"With regard to these land investments, I may say that we are always anxious to sell our land on reasonable terms. We have taken a great deal of trouble, and insured that it is properly cultivated, as it is easy for uncultivated land to deteriorate in value, but we are by no means anxious to enter the ranks of the farming community.

"You will have gathered from my remarks that Canada has been and is passing through a difficult time, but, while there is no great ground for optimism for the immediate future, undue pessimism would be the great blunder. We have passed through several such cycles before now."

I.B.A. OF AMERICA TO STANDARDIZE INTERIM RECEIPT

Seeks Uniform Terminology—Many Forms Now in Use

A development in finance that aims at simplifying and standardizing the complex and widely varying practices in the use of billions of dollars of temporary "interims," and that will be of profound interest to every financial institution in the United States and Canada was recently announced by the Investment Bankers Association of America.

The announcement comes in the form of a preliminary report by the association's legislation committee, which is concluding a work that has been carried on for several years by various committees. The purpose of the effort is to afford greater safeguards for investors and to provide accepted practices in the use of interim certificates, interim receipts and similar paper that will eliminate the dissatisfaction of investment bankers toward the lack of uniformity in present methods.

In its analysis of some 300 different specimens of the numerous interim forms which are in use in the United States and Canada and which forms the basis of the report, the committee points out a lack of a clear understanding, on the part of bankers as well as investors, of the true purpose of these temporary documents. The committee also found that "interims" now in use differ widely and materially in their language, terms and conditions, in their security provisions and in the manner of treating such points as transferability, interest and redemption. The committee tentatively recommends the adopting of a number of remedies which it believes will raise the standards of practice in the use of interims, but it asks that it be allowed until next October to complete its studies and make final report on its proposed remedial measures.

Standardize Terms

As its first remedy, the committee recommends the adoption of a standard terminology to designate the various types of temporary instruments which are necessary in the country's public and corporate financing. The committee also proposes to stamp the use or misuse of these terms as the dividing line between ethical and unethical practice. To this end, it proposes that the term "temporary securities" be "limited to actual securities of the issuer itself, to be outstanding pending preparation of the definitive securities in final form." The term "trust receipts," the report continues, should be "limited to certificates of independent corporate trustees holding temporary certificates, cash proceeds, or other securities for the benefit of the holders of the receipts, such trust receipts to be executed by such independent trustee as its obligation."

The term "interim certificates" should be confined "to the advertised interim of the original underwriting bankers or syndicate which has contracted with the issuer of the securities called for by such interim certificate for a definite amount of such securities and for the payment therefor to the issuer, to be the only 'official' interim of the issue." The term "dealers' receipts" is suggested to include all receipts and all evidences of prepayment given for cash in advance of delivery of temporary securities, trust receipts, interim certificates or definitive securities.

The report further recommends that, in cases where the dealer holds nothing but cash pending acquisition of the temporary or definitive security to be purchased, steps should be taken toward obtaining such security as speedily as possible and exchanging it in retirement of the outstanding receipts. Where dealers' receipts are left outstanding, for justifiable reasons, until the definitives are ready, the committee stresses, "that the official temporary instruments be held segregated from such dealer's other assets and ear-marked for the benefit of holders of his outstanding receipts for that particular issue."

Are Necessary Link

There are, the committee points out, essential economic reasons for the existence of these temporary instruments, secured and unsecured, in proper form. They are definitely and absolutely necessary to the providing of capital for worthy public and business enterprise and to the conduct of the investment banking business. There can be nothing inherently improper in them, provided the investor knows what he is receiving, understands the credit relationship, and does not labor under a false impression that he is getting a security with a market value and a definite claim on the issuer of the definitives.

The committee believes that an attempt to evolve uniform types of instruments demands most earnest consideration, and to that end suggests certain principles and essentials which each type of instrument should embody. In the case of dealers' receipts, it points out as essential, that the text should clearly indicate that the paper constitutes the dealer's acknowledgment of money received, that in no event should this paper be dressed up in appearance so as to resemble a security, and that it be limited in form to little if anything more than a plain invoice or bill bearing a "paid" stamp.

Foundation Company Annual Meeting Follows Set Lines

From Our Own Correspondent

MONTREAL.—Reports on statements were adopted at the annual meeting of shareholders of the Foundation Company of Canada. The following officers and directors were re-elected: President and general manager, R. E. Chadwick; vice-presidents, Victor Drury and F. G. Rutley; secretary-treasurer, C. E. Grearson, and assistant secretary-treasurer, H. C. Link.

The following is the board of directors: W. F. Angus, A. J. Brown, K.C., R. E. Chadwick, E. R. Decary, J. W. Doty, Victor M. Drury, C. B. McNaught, Hon. F. H. Chippen, Frank Ross, F. G. Rutley and N. A. Timmins.

TWIN CITY'S GROSS DOWN, NET STAYS UP

Rigid Economies Enable Management to Overcome Adverse Influences

POLITICAL WAR OVER

Now Operates on 10-cent Basis; Still Has Stiff Fight Against Motor Car and Taxicab

Twin City Rapid Transit Co. earned in the first five months of 1930 gross revenue of $5,599,707, a decrease of $345,000 from the same period of 1929, though net earnings showed a falling-off of only $39,635. The gross decline is a result of the increasingly severe competition from automobiles, buses and taxis, of the fact that 30,000 unemployed are reported from Minneapolis and St. St. Paul and that the serious business depression experienced in the northwestern states is still continuing.

The maintenance of net earnings at almost last year's figures is attributed by the president, Horace Lowry, to rigid economies put into force by the management. Operating expenses have declined considerably.

This is the worst experience of the company in gross revenue since 1925 and the success in keeping up net earnings is therefore encouraging to the management. They do not overlook the continuing effect of severe competition, however, and realize that no adequate remedies have yet been discovered on this continent for the unsatisfactory conditions which are making most traction company securities undesirable from a speculative standpoint at the present time. Twin City has achieved a record in the face of these difficulties considerably more impressive than that of most traction companies. Even though payable in scrip, the continuance under these conditions of the $4 annual dividend is in itself a feat.

Fare Increases are Effective

One feature of the situation, which is encouraging, is that the company appears to have its political difficulties behind it. After years of fights to get adequate rates for its lines it is now on a ten-cent basis, and further increases are exceedingly improbable. Prospects for continuation of decline in traffic are somewhat minimized by the success in securing economies which many other companies have been unable to secure. The company's chief expenditures are for wages, power and materials. The recent drastic decline in prices of commodities may effect the company's total expenditures for raw materials used on its lines, and possibly later even the price of completed equipment into which these lower-priced raw materials enter. In that respect there is a possibility of further economies.

There is little likelihood of relief from the competition of the automobile. Secondhand automobiles are so cheap in the United States that almost everybody can own one, and experience shows that a man clings to his automobile in a business depression with a determination that shows he would rather relinquish his home or drown himself before parting with it. Minneapolis is so well laid out that parking difficulties are less onerous than in most other cities.

Great Task Lies Ahead

The tendency of taxicabs to charge less and less to customers is also regarded as a potential menace to street cars. The competition of the motorbus is to this company not so important as to many others. It operates lines of its own, and in so doing has anticipated to some extent the trend of the times.

Standard Statistics in a recent article suggests that fare increases made in most cities of the United States, though absolutely necessary, are a temporary palliative and that the only present way out is "the apparently superhuman task of making over physical assets of the entire local transportation system." Most companies are too exhausted by the long fight they have waged for existence to sustain the additional financial burden such a programme implies.

"The real need of the traction companies," says Standard Service in the course of the bulletin referred to, "is a recognition by their patrons, and especially by the officials of the cities they serve, of the absolutely essential and indispensable nature of their contribution to the daily economic life of their communities."

The dividend of $2 a share in secured dividend notes and fractional scrip by the board of directors on May 19 last, have now gone forward to shareholders. The latter are advised that fractional scrip may be bought, sold or accumulated and exchanged for secured dividend notes of $100, $500, or $1,000 denomination. Application is being made to list these secured dividend notes and scrip on the Minneapolis-St. Paul Stock exchange.

The company is maintaining itself under present conditions in a financial position of preparedness to advance if conditions adverse to traction companies show some alleviation in the future.

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AGNEW-SURPASS SALES INCREASED IN PAST PERIOD

Gain of 19 Per Cent Recorded at Close of Fiscal Year

From Our Own Correspondent

MONTREAL.—Sales of Agnew-Surpass Shoe Stores in the fiscal year ended May 31, 1930, showed an increase of 19 per cent over those of the previous twelve months. During the year the company added 10 additional stores to its chain, while 2 new stores are scheduled to be opened during the current year. This will bring th total number of stores in operation to 50.

It is understood that current sales, while satisfactory, have not maintained the gains made in previous months. The company, however, has strengthened its position by the opening of new stores and should be able to take advantage of an improvement in general business conditions.

The annual report of the Agnew-Surpass, which is expected to make its appearance in August, should reflect the increase in sales recorded in the past fiscal year In the year ended May 31, 1929, earnings amounted to $197,259, and profits applicable to the common stock were equal to $1.10 a share. Total sales in that period were $2,533,500.

The company has made steady progress since its inception in 1928, and represents the first Canadian organization, in which there is a public investment interest, to apply chain store methods of merchandising to the boot and shoe business.

Agnew-Surpass represents a merger of the John Ritchie Company, wholesale shoe manufacturers, John Agnew, Limited, and Surpass Shoe Company, Limited. The combined chain of stores operated by the present company provides an outlet for a portion of the Ritchie Company's production while it also handles a wide line of men's and women's footwear.

The old Surpass Shoe Company had established a sound business in higher grade shoes while the John Agnew Company, at the time of the merger, operated 24 stores in the smaller towns and cities of Ontario selling medium priced family footwear.

The new organization expanded rapidly and new stores were opened in quick success. In the first year of operation the number of stores increased from 29 to 38 while sales showed good gains. In the past fiscal year and additional 10 stores stores have been opened and sales have again recorded an increase.

The common shares are presently traded at around 9 on the Montreal Stock Exchange as opposed to a high of 14 during the current year; there are 80,000 shares of this stock issued. The preferred stosk has held up well and is selling around 94 at which price it yields 7.44 per cent. This stock is convertible on the basis of three shares of common for one preferred.

Canal Statistics for June show a decline in freight moved through all Canadian canals. At Sault Ste. Marie, total traffic amounted to 12,650,000 tons, a drop of 1,425,686 tons from the same month in 1929. The decrease was due to lighter iron ore movement. At Welland, total freight showed a slight decline to 756,563 tons as compared with 760,431 tons in June, 1930. On the St. Lawrence system loadings amounted to only 874,612 tons, a decline of 53,321 tons from June, 1929.

NOTICES

ASBESTOS CORPORATION LIMITED

General Mortgage Bonds

All holders of the above bonds who have not already done so should communicate at once with the Bondholders' Committee, W. J. Lucas, secretary, 214 St. James St., Montreal, or the Asbestos Corporation, Ltd., Thetford Mines, Quebec.

MOORE CORP. IS IMPROVING ITS SITUATION

Expansion Expense Written Off, Company Gets Benefit of Mergers

STOCKS UNDER-VALUE

Selling Lower Than 1929 Lows While Dividends Appear Amply Guarded By Earnings

Moore Corp. earnings are holding up exceedingly well in the face of depressed business conditions in many parts of the Continent. Under the plan of merger by which this holding company brought under one aegis American Sales Book Co., Pacific Burt Co., Gilman Fanfold Corp., Cosby-Wirth Manifold Book Co., Moore Business Forms, Inc., Niagara Fold, Inc., U. P. M.-Kidder Press Co., Inc., Burt Business Forms, Western Sales Book Co., the company secured benefits which exceeded expectations in the first year of operations. In 1930 results have been even more satisfactory as the expenses of expansion are understood to have been written off, and the company will now get full advantage of the operating advantages expected to accrue from the merger.

Completing Factory

Burt Business Forms, which represents the sales book and forms division purchased from the F. N. Burt Co., has a new factory just being completed at Mount Dennis, a suburb of Toronto, and this is expected to contribute both to increased production and economies of the company. It is being equipped with modern machinery for the production of sales books, shipping tags and manifold forms. Moore Research Co. is busily at work concocting new ideas, processes and economies with the idea of still further advancing the fortunes of the company and its customers.

Seldom have the advantages of amalgamation of a group of companies been so quickly realized by a company in a time of business recession. The company was fortunate in having a large amount of unfilled business come over into 1930 from 1929 but latter business has fully justified the confidence with which the executive has laid and executed its far-sweeping plans. Of its 12 plants some are in Toronto, Winnipeg and Vancouver and the others in the United States at Brooklyn, Elmira, Niagara Falls, Minneapolis, Dover, Seattle, Emeryville and Los Angeles.

It is rather peculiar that under these circumstances preferred "A" and "B" stocks of Moore Corp. are selling considerably lower than at the low point last November when the big stock market crash depressed all stocks. There was a recovery to levels considerably higher than the November low in the early months of the year. The "A" stock is selling at about 103 which gives almost the full advantage of the 7 per cent dividend and the "B" stock is selling at around 127, which figure is governed by the fact that the stock is convertible into common stock six for one and has exactly the same rights as to dividends and assets as class "A" stock. The latter is convertible into common stock only on a four for one basis. Both are entitled to six votes per share.

Common stocks, now selling around 21, pays $1 a share. Last year common earned $2.54 a share. The "A" and "B" preferred stocks earned $22.92 a share and paid $7. A few years of earnings on that basis will qualify the preferred stocks as high-class investment stocks. If earnings increase to the point where dividends are raised on common stock the speculative possibilities of appreciation of the preferred stocks will be demonstrated convincingly by appreciation.

NOTICES

Notice to Shareholders

The Undersigned desires to notify shareholders of the **Wright Flexible Axle Motors Limited** that he has a few shares in this Company to be sold at original cost, plus 6% to close an Estate.

A. N. MIDDLETON,
Public Trustee,
Osgoode Hall, Toronto.

Tenders for Bonds

Tenders for $25,000 worth of "Town of Dalhousie General Improvements Debentures, 1929," will close 4 P.M., July 23rd, 1930, Office Town of Dalhousie. Authorized by 19, George V. Chapter 75, Acts of New Brunswick. Interest 5½% payable semi-annually. Date of issue Aug. 1st, 1930, of redemption Aug. 1st, 1950. Interest payable and Bond redeemable at Royal Bank of Canada, Dalhousie, N.B. $1,000 denomination.

F. B. Swinnard,
Town Clerk and Treasurer,
Dalhousie, N.B.

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RECKONINGS NEAR, LOAN GUARANTEES BECOME COMPLEX

Respective Liabilities of Three Provinces Not at All Clear

LOSS IN COARSE GRAIN

Alberta Contributes Little to This, New Crop Year May Force Further Authority

From Our Own Correspondent

EDMONTON.—Both in government and in opposition circles a good deal of careful study is now in progress with respect to the guarantee by the provincial government of advances by the banks to the Wheat Pool. Some problems quite unsuspected when the guarantee bill was passed last year are emerging, and it may take a good deal of negotiation between the different provinces, the three provincial wheat pools, the Central Selling Agency and the banks, before these are ironed out.

It is admitted that it is quite impossible to tell yet whether the provincial governments will be called on to make good their guarantees, or to what extent, but the impression is gaining ground that such action will be inevitable. If it does become necessary, it is not quite clear how the responsibility will be shared. It is usual to think in terms of wheat, but the actual pool losses on barley and rye will probably be much greater per bushel than any incurred on wheat. The Alberta Pool has handled negligible quantities of these grains, while Manitoba has handled many million bushels of these grains. Will Alberta have to carry part of Manitoba's load? And if so, for how long? These are among the questions that are being asked.

Cabinet Can Pay Guarantee

Examination of the pool guarantee bill throws some light on the general situation. In the first place, the government will not have to ask the legislature to vote funds to make good the guarantee. Statutory authority is given in the bill to pay out whatever money is required.

Next it will be a long time before the question is settled. The guarantee act covered all loans made by the banks to the wheat pool prior to its passing, so loans on carried over wheat from the 1928 crop are included. All loans made up to August 1 this year are included. The ultimate balance owing by the pool to the banks is to be ascertained when the total quantity of grain upon which advances have been made has been sold.

Delay Seems Probable

That might be a year or more from now, for there appears to be still some wheat of the 1928 crop in store. The carry-over at August 1 is bound to be large, not only of wheat, but also of barley and rye, and an outlet for the latter grains in export trade has not yet developed. It is quite possible that the complete show-down may not come until after the next session of the legislature is over.

The proportionate amount of liability of the Alberta government depends upon the interpretation of the word "quantity." If it means bushels, and a bushel of oats or barley is taken as the equivalent of a bushel of wheat, Alberta's responsibility is less and Manitoba's is correspondingly greater than if quantities are taken by weight, and a bushel of oats counts for only 34 pounds, a bushel of barley as 48 pounds as against 60 pounds for a bushel of wheat.

Then the matter of delivery by the provincial pools to the Central selling agency is important. Ordinarily the provincial pools finance grain until it is delivered at the terminal elevator, where delivery is made to the terminal and the provincial pools have borrowed separately from the banks. But loans to the provincial pools are not guaranteed, only those made to the central selling agency.

Selling Plan Obscure

Consequently the banks will find it to their interest to demand that the central selling agency take control and possession of grain in the country elevators of the pools, in order to bring the whole amount of their loans under the guarantee. Any failure to do this would both impair the position of the banks with respect to guarantees, but would also have an effect upon the proportionate liability of the different governments.

Another problem looms in connection with selling. If the provincial government is able to avoid a guarantee of pool payments on the next year's crop, which grain is going to have priority in selling when the 1930 crop begins to move? Are the governments going to insist, or can they insist, that the grain which is security for the loans which they have guaranteed be sold before grain of the new crop is sold? So far as the banks are concerned, it will be more to their interest to see sold new crop grain, on which they will have no guarantee of their loans, than old crop grain on which they are fully covered.

New Guarantees Possible

So far as the pool is concerned, selling new crop grain rather than old, when the two are in the same position, will be to its interest. Selling new crop grain, retiring new and unguaranteed loans, and getting a margin over the loan will add to its current resources. Selling old crop grain, when the proceeds will simply be used in retiring loans which are guaranteed, and on which the bank does not need to press for payment, will increase its difficulties in financing the new crop.

The governments appear to have no standing in the matter, and no right to interfere, for while each government has taken security from its respective provincial pool it has no relations with the central agency, loans of which it has guaranteed. Failure to interfere in its own protection may subject it later to criticism, but, interference might increase the pool's difficulties in getting advances from the banks which would enable any reasonable initial payment to be made on this year's crop.

Some observers see a situation in the making in which the provincial government, however, reluctantly, may be forced to make guarantees of the banks' advances on new crop. Another suggestion is receiving some study. This is to the effect that the pool might make a bond issue on its elevator system, the issue to be guaranteed by the provincial government, and in return for putting the pool in funds by this means the government might be released by the banks from its guarantee. There are elevators which have cost more than $8,500,000, against which the only known liability was a loan from the bank for $1,900,000 secured by hypothecation of the Vancouver terminal.

From the political standpoint this plan would have the advantage of postponing the final settlement but one difficulty in the way is the probability that concurrent action by the other provinces would be required, and might be difficult to obtain. Another difficulty would be the market absorption at the present time of a total of $20,000,000 or so of bonds guaranteed by the provincial government. The question of sinking fund to redeem such bonds would be a further problem, for which pool finance under present organization makes no provision.

The whole problem is one that is causing a good deal of worry in pool, government and banking circles.

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Based on Cheap Grain, Canada Can Build Again Export Animal Trade

Must Accept World Prices to Build Wisely and Well

BETTER TEAM WORK

Canadian Farmers Must Organize as Efficiently as Denmark to Regain British Bacon Market

The present combination of low prices for grains and high prices for animals will lead automatically to increased animal production in Canada, in the opinion of John S. McLean, president of Canada Packers. Much heavier deliveries of hogs are anticipated, beginning about October. Then, or shortly afterward there should be a surplus over and above domestic requirements, and Canada should return to the list of bacon exporting countries. That, points out Mr. McLean, can only be accomplished through a decline in the price of hogs to the world level.

In recent years, Canada has progressively dropped more and more out of the European, and especially the British, bacon markets. This has been bcause a scarcity of hogs in Canada and a mounting price have made prices too high locally to permit packers competing in a competitive market except at a loss. Seldom have prices in these years been at or near the world level. There have been drops in the fall when the heavy run of hogs set in because of the situation created by Canadian hogs being above world levels. Two courses are open to Canada, to aim at a restricted production below domestic requirements or to aim at production above domestic requirements so as to maintain uniform export shipments to Great Britain.

Canada Must Organize

The internal higher level can be maintained only by keeping production short of domestic requirements. The higher the internal prices the greater the drop in times of flush production to bring price to world levels. The second course would commit Canada to a continuous acceptance of world prices, and this is sound, says Mr. McLean, only on one condition, that Canada can produce bacon hogs as cheaply as any other country.

Denmark, which practically owns the British market, has obtained that market by following the second policy consistently for 30 years. Canada, therefore, would have to grow hogs as cheaply as Denmark. Every expert agrees that natural conditions would permit Canadians to do that, but the difficulty would be to organize Canadian hog growers as efficiently as are Danish hog growers. The enormous size of Canada and the difference in the natural mental habits of Canadians make them less responsive to official leadership.

Canada, in her unorganized condition, tends toward the restricted production course with a high internal price. Within the last decade Canada has ceased to be an exporter, and on balance has become an importer of lamb, butter and eggs. She has shipped more grain and less animal products. She sold $220,573,759 for export in 1920 and $476,186,733 in 1929. The reverse was true with animal products exported, the trend being from $150,056,144 in 1920 to $55,267,577 in 1929.

The course of shipping his surplus chiefly in the form of grains is, in the long run, neither safe nor profitable. Mr. McLean points out the great disparity in the relative prices of grains and food animals as an emphatic illustration of his point.

Must Diversify Products

"The logic of the above propositions," says Mr. McLean, "is undoubtedly that the sound and safe policy for the Canadian farmer is to diversify his production. In order to keep up her agriculture on a sound basis, Canada should, in addition to grains, be a continuous exporter of those animal products which she is naturally endowed to produce cheaply. This list includes beef, bacon, butter, eggs, cheese.

"In developing such export outlets, special problems will arise in connection with each product. In respect of bacon, these problems have been indicated. Chief amongst them is the competition of Denmark.

"This competition can be successfully met only by matching Denmark's organization with an equally efficient Canadian organization. . . .

"To this end the whole livestock industry, which includes not only production, but manufacture and distribution, should be re-examined with the object of placing it upon the most efficient basis possible.

"The key-note is undoubtedly increased efficiency. This has two major phases:—

"(a) Better production methods, by which Canada's food animals shall be produced at a lower cost. This factor is enormously important. It is the problem of the farmer.

"(b) Better manufacturing and distribution methods. This is the problem of the packer.

"Within the last few years, the packing industry has had important economies forced upon it. Chief amongst these was the reorganization of the companies comprising Canada Packers, Limited. Very important problems remain, for the Canadian packing industry as a whole still maintains at least twice as much plant as the volume of business requires . . .

Treat Farming Problem as Whole

"A wise livestock policy can be arrived at only if considered in relation to Canada's total agricultural problem. This total agricultural problem, while full of complex details, is, in its broad outline, very simple. It is set by geographical facts. Canada has immense agricultural areas, and relatively a small population. She must produce each year an enormous export surplus.

"Prices obtained for the products exported have a special significance; for, where a surplus exists, the price of all the product produced is determined by the price obtainable in the world's markets for the surplus.

"What then should Canada's policy be? Should she plan a restricted export policy, confining her exports to a few commodities? Or should she plan a diversified export programme, maintaining steady exports of a large number of commodities?

"All experience indicates the latter as the safer course. It makes possible the advantages which derive from steady volume, and adds the safety that comes from an average price for her total agricultural output.

Farmers Will Recover

"In the general decline of values which has recently taken place, the farmer has been one of the chief sufferers. Grain prices have already drastically declined, and animal prices undoubtedly must follow. To add to the misfortune of declining world prices, the American tariff at one stroke has subtracted one cent per pound, live weight, from the value of every head of cattle in Canada. The average Canadian farmer, under previous conditions, felt that he was doing none too well. Does this general slide in the value of his products mean that his outlook is now hopeless?

"To this question the answer is a confident 'No.' The Canadian farmer operates in competition with the farmers of the world. In respect of the fertility and cheapness of his land, the Canadian farmer can confidently face the world. These are the fundamental things. To meet the more difficult conditions, he must improve the efficiency of his operations. With all of us, adversity is the great stimulant to efficiency. This is true of industry;—and it is equally true of agriculture. In the end, the difficulties of the present time will prove to have been a benefit, and not a disaster, to Canadian agriculture.

Farmer and Baker Are Partners

"In one important branch of agriculture, that of livestock, the farmer and the packer are partners. Neither can carry on without the other. In the past the farmer has, to some extent, been disposed to ascribe drastic price declines to manipulation on the part of the packer. The present crisis will undoubtedly tend to change this attitude. For his experience in selling his own grain (through the pool,—which he himself owns) has taught the farmer that prices are fixed by world conditions. The present low price of wheat is due to one cause only—namely oversupply. The managers of the pool, although they market 60 per cent of Canada's wheat, have no control over prices. These move up and down according to conditions which they do not govern, and which they cannot fully foresee.

"Exactly the same is true of livestock prices. The packer has nothing to do with fixing them. They are determined by conditions which he cannot control; and although he attempts to study these conditions carefully, he is frequently as much surprised as the farmer at the turns taken by the market.

"The contrary idea has been the source of whatever strife existed in the past between the farmer and the packer. These two can now address themselves to their proper job of producing meats of the highest quality and laying them down on the world's markets at prices which allow Canada to compete profitably with the products of other countries. In this job, the task of each is that of increasing his own efficiency."

Canadian Paper Secures Preference

From Our Own Correspondent

MONTREAL.—Canadian newsprint manufacturers benefit under the new budget brought down by the government in Australia. According to advices received from the Canadian Trade Commissioner, Canadian newsprint will still have a preference of £3 sterling, or roughly $15 per long ton in the Australian market, as against countries outside the British Empire.

Under the new tariff which became effective on July 10, the rate on newsprint under the British preference is one pound sterling per ton and under the general tariff four pounds. Formerly newsprint was free under the British preference, and three pounds per ton under the general tariff.

In addition there will be a sales tax of 2½ per cent based on the Canadian Act which will be imposed on both imports and local products other than foodstuffs. The sales tax will not be operative until it is brought into effect by proclamation at a later date.

For the last fiscal year Canada exported to Australia newsprint to the value of $3,790,108, and the year before $3,627,369. Most of this was from the Pacific Coast.

Westminster Paper Co. Ships from New Plant

From Our Own Correspondent

MONTREAL. — Westminster Paper Company, of New Westminster, is making initial shipments from its new mill to Australia. An advance shipment of a large order has left Vancouver for the Southern Dominion and with it went a shipment for Suva, in the Fiji Islands. The Australian order consisted chiefly of wrapping paper, paper napkins and paper towels, while the shipment to Suva was principally of toilet tissue. Several cars have already been despatched since the new plant commenced operations, Toronto and Winnipeg being among the Eastern and prairie centres receiving the products from the new plant of the Westminster Paper Company.

ALBERTA POOL WARNS MEMBERS OF ELEVATOR LOSS

Restrictions on Mixing, Too Many Units, Reason For Situation

From Our Own Correspondent

CALGARY.—After spending more than $8,500,000 in construction of an elevator system consisting of 440 country elevators, and a terminal elevator at Vancouver, the Alberta Pool has officially reported to its delegates that the system, instead of being a source of excess earnings that might be returned to pool members, is likely in future to be a source of expense.

Consequently, the elevators of the Alberta Pool, instead of being operated by a subsidiary company, expected to pay patronage dividends to members representing the excess of earnings over expenditures, will henceforth be operated directly by the Alberta Pool. Profits realized will be part of general pool funds, while deficits incurred will be borne by the pool as a whole.

Board is Frank

Very frank statements in this connection were made in a report of the board of directors of the Alberta Pool to a special meeting of delegates held last June, and these reports have just been made public in the July issue of the U.F.A.

One of the reasons given for the situation is the large number of pool elevators, on which the report stated: "The fact that we are now supplying pool facilities at points from which approximately 90 per cent of our grain is shipped means that we have elevators at a considerable number of points where the revenue under existing charges will not meet the expenditure, particularly in years of short crops."

Another particularly interesting comment is made in connection with recent changes made by the Canada Grain Act in grain handling regulations. Some of these charges, particularly those directed against grain mixing were the result of agitation in the name of the pools, but the Alberta pool never made any secret of the fact that it did not agree with the anti-mixing propaganda coming from Saskatchewan.

Reference is made to a change in pool policies respecting weights, settlements, etc., in country elevators which have considerably reduced revenues and the report goes on to say:

Handles 45 Per Cent

"In view of above mentioned developments it is altogether likely that from now on our elevator system will have to concern itself as much with a method of a deficit as with the distribution of a surplus."

Further information made to the public is to the effect that the Alberta Pool up to the end of May had handled 35,000,000 bushels of wheat. Total deliveries of wheat by Alberta farmers up to that date aggregated 75,000,000 which would leave a balance of 40,000,000 bushels of non-pool wheat. Final figures last year showed the Alberta pool to have had 45½ per cent of the wheat in the province, and little change for this year. Pool elevators handled an average of 173,125 bushels as against 151,787 bushels the previous season.

WHEAT CROP AREA DOWN 3 PER CENT

Dom. Bureau Issues Acreage Estimate For 1930

Canada's wheat crop acreage for 1930 is officially estimated at 24,583,300 acres as compared with 25,255,000 acres finally reported for 1929, according to the July 10 crop report of the Dominion Bureau of Statistics. This is a decline of about 3 per cent.

The area of fall wheat to be harvested this year is placed at 636,300 acres a decline of 24 per cent from the 1929 figure. Estimated areas for other crops in 1930 is as follows: oats, 12,815,000 acres, a decline of 3 per cent from last year; barley, 6,050,000 acres, an increase of 2 per cent; rye, 1,092,000 acres, an increase of 10 per cent; flaxseed, 451,500 acres, or an increase of 18 per cent and potatoes 557,000 acres, an increase of 2 per cent.

The total area sown to all field crops, exclusive of grain hay, for 1930, is estimated at 59,617,500 acres as against 59,607,034 acres in 1929.

Reporting on the conditions of all field crops in Canada as the end of June the Bureau finds that practically all grain crops with the exception of oats and mixed grains are in a poorer condition than at this time a year ago. The following table shows the condition of various field crops on June 30, of both this and last year, expressed numerically in percentage of the average yield per acre for the ten-year period 1920-29.

Field Crops	Area 1930 Acres	Condition June 30, 1929 %	Condition May 31, 1930 %	Condition June 30, 1930 %
Fall wheat	636,300	100	88	91
Spring wheat ...	23,947,000	88	96	91
All wheat	24,583,300	88	96	91
Oats	12,815,000	92	98	98
Barley	6,050,000	92	97	97
Fall rye	765,400	91	92	88
Spring rye	326,800	91	97	93
All rye	1,092,200	91	94	90
Peas	123,000	94	99	101
Beans	89,900	98	..	100
Buckwheat	505,000	98	..	99
Mixed grains ...	1,146,000	95	101	108
Flaxseed	451,500	91	..	95
Corn for husking	154,000	95	..	99
Potatoes	557,000	95	..	100
Turnips, etc.	208,000	96	..	100
Hay and clover .	10,628,000	98	98	100
Alfalfa	749,000	97	96	97
Fodder corn	422,600	95	..	99
Sugar beets	43,000	92	..	101

PAPER PROJECTS ON COAST MOOTED

Three Big Concerns Interested in Building New Mills

From Our Own Correspondent

MONTREAL.—Dispatches from the West are to the effect that three important pulp and paper combinations are said to be negotiating for an early start in large scale production in British Columbia. The groups mentioned are International Paper Company, Backus-Brooks, of Minneapolis, and Hearst interests.

Backus-Brooks, it was stated, are contemplating the building of a pulp mill following the acquisition of large pulpwood properties.

International Paper has for some time held an interest in the Vancouver Island holdings of the old Beaver Cove Pulp and Timber Company, which was taken over by International Harvester a few years ago. By its acquisition, International Paper obtained valuable rights to water power on the Nimpkish River, the advices stated. The Hearst group was stated to be negotiating for a paper mill site in the Fraser valley area, as a source of newsprint supply for papers in Washington and California.

In the meantime, the Powell River Company is proceeding with its $8,000,000 expansion programme at Lois River, B.C., and Crown Willamette Pulp and Paper Company, which is associated with Zellerbach Paper Company, has obtained rights to water power at Campbell River, B.C. It is proposed to develop the latter.

Turner Valley Drilling Report

Well drilled by Imperial Oil

Name of Well	No.	Type	Depth last report	Present depth	Feet drilled	Remarks
Royalite	7	DD.	4,277	4,281	...	Circulating to free hole of small particles of formation. (Top of lime at 4,127 ft.; 154 ft. in lime).
Royalite	18	R.	4,946	4,946	...	Preparing to shoot. (Top lime at 4,640 ft.; 306 ft. in lime).
Royalite	24	S.	4,114	4,161	67	10 in. casing lowered to 4,130 ft., underreaming.
Royalite	25	R.	....	....	...	Rigging up rotary.
Dalhousie	1	DD.	4,565	4,565	...	Cleaned out to 3,405 ft. drill rods frozen at 834 ft. trying to free drill rods.
Dalhousie	7	DD.	5,096	5,116	20	Drilling in lime. (Top lime at 4,999 ft.; 117 ft. in lime).
Home	5	DD.	4,667	4,699	32	Drilling in lime. (Top lime at 4,480 ft.; 219 ft. in lime).
Home	6	S.	3,609	3,609	...	10 in. casing lowered to 3,541 ft., underreaming.
Home	7	S.	1,090	1,090	...	Straightening hole at 1,008 ft.
N. W. Assoc. ...	2	R.	4,956	4,970	14	Standing cemented. (Top lime at 4,952 ft.; 18 ft. in lime).
Advance	5A	R.	6,857	6,515	158	Cleaning out after shot. (Top of lime at 6,009 ft.; 506 ft. in lime).
Mayland	2	R.	4,724	4,729	5	Standing cemented. (Top lime at 4,710 ft.).
Mayland	3	R.	4,667	4,667	...	Rigging up rotary. (Between Home and Dalhousie Sands).
Sterling Pac. ...	1	R.	6,525	6.525	...	Cleaning out after shot. (Top lime at 5,153 ft.; 1,372 ft. in lime).
C.D. & P.	1	S.	3,042	3,042	...	Straightening bad hole at 2,600 ft. (Between Home & Dalhousie Sands).
N.W.C. & E.	1	S.	2,967	3,015	48	Drilling in lime. (Top lime at 2,483 ft.; 532 ft. in lime).
Southern Lowery	1	S.	3,865	3,883	18	Straightening hole at 3,882 ft. (Home sand at 3,485 ft.)
Lowery	2	..	....	....	...	Rigging up.

NOTE—S—Standard; R—Rotary; DD—Diamond Drill.

LAKE OF WOODS GAINS DECISION IN WATER CASE

Dispute With Keewatin Power Decided in Favor of Company

From Our Own Correspondent

MONTREAL.—Lake of the Woods Milling Company has been successful in its case against the Keewatin Power Company, the Privy Council, upholding the judgment of the appellate division of Ontario, which favored the milling company.

This litigation has been going on for some time. The Keewatin Power Company sought a declaration that they were entitled to the use of certain waters at the outlet of the Lake of the Woods to the Winnipeg River. The Ontario trial judge, however, held the flour mills were entitled to the water they are now using.

The power company then sought an injunction to prevent the flour mills from diverting the water, but the trial judge declined and the power company appealed to the Privy Council, with the result that their appeal was dismissed.

The value of the stock has slipped off in sympathy with the general market trend, and is currently selling around 35, at which level it yields around 9 per cent. The low value, aside from the lack of speculative interest, is attributed to anticipated limited financial returns for the current year.

Conditions in the milling industry have been very unfavorable during the past twelve months and Lake of the Woods' profits from operations are expected to be on a reduced scale. Offsetting this, however, is the fact that subsidiary companies in the baking business are reported to be doing better this year.

Dividend record of Lake of the Woods Milling Company is impressive, the company has an unbroken record from September 5, 1904, up to the present time. In other words, the company has paid dividends continuously for the past twenty-six years, a record that is equalled by only a few companies in Canada or the United States.

B.C. COMPANY ACT ULTRA VIRES IN PART

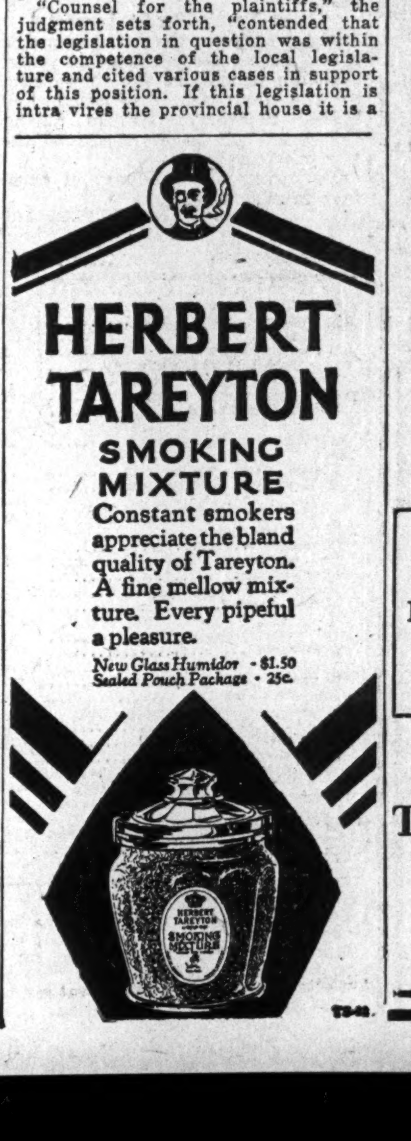
Mining Company Not Registered in Province Had Right to Sell Stock

From Our Own Correspondent

VICTORIA.—Judgment for the defendant in Mallek vs. Baybee has been handed down by County Judge Lampman here and deals with the validity of a much-discussed section of the British Columbia Companies Act, which is declared ultra vires the enacting authority.

The provincial companies Act provides that companies not incorporated in British Columbia in order to do business in the province must be registered here and must file certain information periodically with respect to their transactions. The Clinton Gold Mines, Ltd., had Dominion but not provincial charter, and failed to comply with the provincial requirement as to registration extra-provincially. The plaintiff, Mrs. Alice Mallek, had purchased stock in the company, the sale and purchase being in British Columbia. She contended that the sale was in violation of the companies Act and was therefore illegal, and sought judgment against R. S. Maybee, by whom the stock was sold to her in the company's behalf.

"Counsel for the plaintiffs," the judgment sets forth, "contended that the legislation in question was within the competence of the local legislature and cited various cases in support of this position. If this legislation is intra vires the provincial house it is a prohibition of the sale of shares of the company and strikes at the company's life, so coming into the class of things which these decisions say cannot be affected by provincial legislation. It follows that plaintiff's action must fail."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HOLLINGER MINES EARNINGS ARE UP, RECOVERY HIGHER

Dividends Comfortably Earned During Period Tonnage Increases

INVESTMENTS OFF

Subsidiary Fails to Show Shareholders Benefit by Separating Holdings

The quarterly report of Hollinger Consolidated Gold Mines for the period ended June 30, shows a satisfactory increase in earnings over the previous quarter also over the quarterly average for the last fiscal year. Dividend requirements are exceeded by $366,854 for the quarter or $651,773 for the half year.

Production for the quarter averaged 4.460 tons daily as compared with the average during the past year of 4,435, but what is particularly interesting is the increase in recovery. Last year the average recovery was $6.09 per ton, during the first quarter of the current year it had increased to $6.42 per ton, while the second quarter shows a further increase to $6.55 per ton.

	1st quar. 1930.	1st half 1930
Total tons produced ...	401,431	802,112
Av. recovery per ton	$6.42	$6.55
Total val. of prod. ...	$2,588,407	$5,250,360
Oper. expend.	$1,648,476	$3,335,621
Oper. profit	$939,931	$1,914,739
Divid. requirements on 4,920,000 shs.	$799,500	$1,599,000
Net oper. profit	$140,431	$315,739
Other profit (from investments)	$144,448	$335,994
Addition to surplus before depreciation and taxes	$284,879	$651,733

In previous years there has been quite a discrepancy between the assay values of the estimated ore reserves and the recovery values, although the percentage recovery has been high. Last year the spread between these figures was $1.72, the year before it was $1.78, but the quarter just ended shows but 97 cents.

"Other" Profit Down

The one item in the quarterly report which does not measure up to the average of last year is the non-operating income, derived principally from Hollinger's investment in the International Bond & Share Corp. This subsidiary was formed last year to handle the company's investments, and the past six months is the first opportunity afforded to measure the success that is being realized by segregating these investments. The total non-operating revenue during the last fiscal year was $733,234 or a half yearly average of $366,720, as compared with $335,994 for the first six months of this year, down $30,726.

Dissatisfaction was expressed in some quarters last year, when Hollinger turned over its principal liquid assets to a subsidiary, it being surmised that it would not work out in the best interests of the shareholders. Shareholders realize that there is a depression and that earnings in most industries are down from last year, yet since this earned surplus was principally invested in bonds when it was being administered by the company direct, the indications are that no benefit is accruing to Hollinger shareholders by the formation of the subsidiary.

ENGLISH INVESTORS GET NICKEL REPORT

Company Prepared to Meet Demand on Revival of Business

The London Stock Exchange Gazette published the following cable received by Lord Melchett, chairman of the advisory committee of the International Nickel Co. of Canada, Limited, from president R. C. Stanley, and issued by the former for the information of English shareholders:

"The president, Robert C. Stanley, has just returned from an inspection trip to all Canadian properties with vice-president John L. Agnew, and states that the Frood mine is now producing at the rate of 90,000 tons of ore per month, which rate can when required promptly be increased to 125,000 tons per month.

"In addition, the Creighton mine is producing 50,000 tons of ore per month, and the Garson mine 20,000 tons of ore per month. The new smelter is now in operation two months in advance of schedule. The new electrolytic copper refinery of the Ontario Refinery Co. is practically completed and will be producing copper within sixty days. The company's new plants are now ready to meet demand for nickel upon business revival."

Lord Melchett, adds that he is very pleased with the situation in Canada, and emphasizes, for the information of shareholders, the importance of the Frood mine, which is now beginning to produce on a large scale. Not only will the large reserve of highgrade ore at this mine ensure smelting of increased output as required, but in addition, the smelting of this rich ore, he continues, will result in a considerable reduction in costs and in the recovery of an increased quantity of precious metals.

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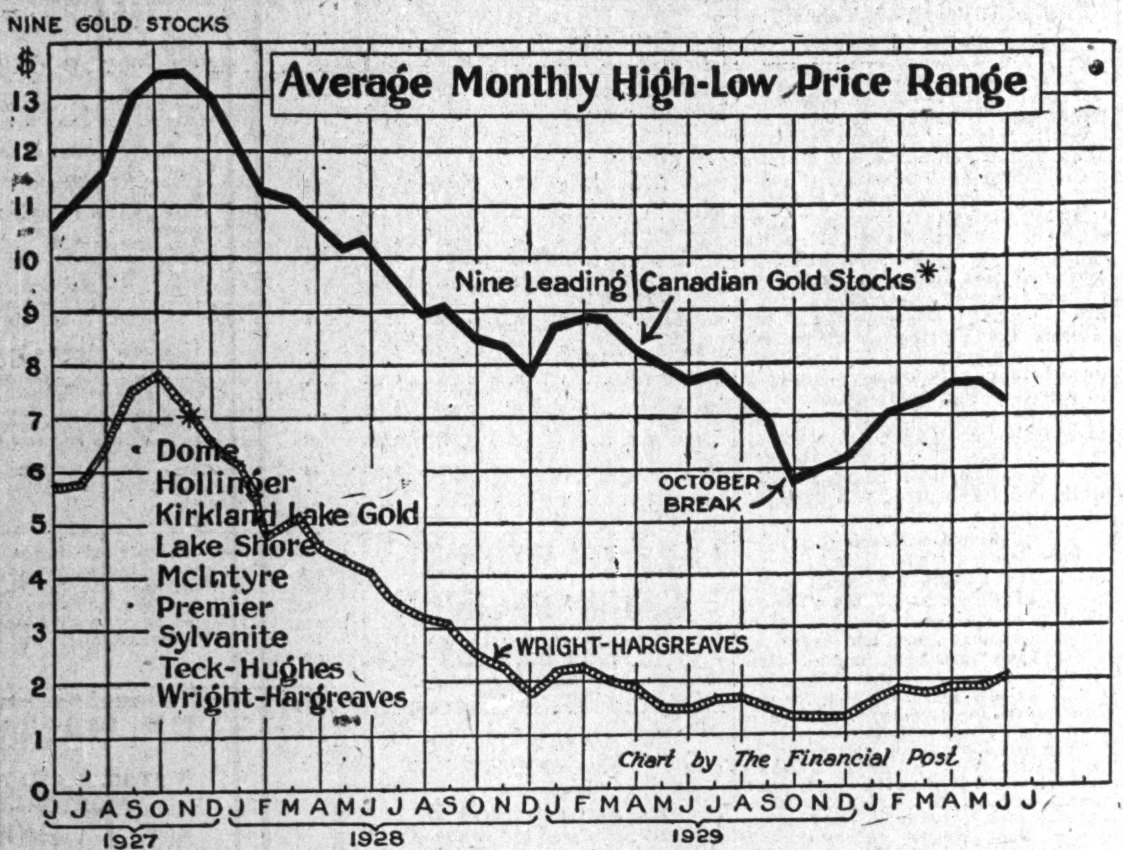
Canadian Mining News

Wright-Hargreaves Fail to Follow Other Gold Stocks



Wright-Hargreaves stock has not recovered in price to the same extent as have other golds, as this chart shows. Recoveries now are reported at nearly $12 per ton, and milling is at new peak, but ore reserves, according to information available, are not high.

With Tonnage Increased, Wright-Hargreaves Stock Remains Puzzle in Market

Reported Ore Reserves Will Supply Mill For Only Eighteen Months; Much More Must Be Found to Justify Price

With ore reserves reported equal to only 1½ years' supply for the increased milling activity, Wright-Hargreaves is a puzzle for speculators in mining shares. The company begins to mill ore at a more rapid rate than ever before in its history. The present price of the shares indicates that, assuming recoveries to be equal to the best of other years, dividends must be paid at an average rate of 20 cents per share for fifteen years to amortize the investment at 6 per cent.

The following article is an effort to place before readers all the essential and available facts concerning this Kirkland Lake property which is controlled in Buffalo and the shares of which have widely fluctuated on the market for a number of years.

Probably no producing and dividend-paying mine in Ontario has been a greater disappointment and brought a larger loss to investors than Wright-Hargreaves. From a position of esteem it reverted to the realm of skepticism and only now is a measure of confidence being enjoyed by favorable reports from the property. During the past fifteen months much has transpired at the company's property.

Following the resignation of the former manager, mill production was reduced from around 700 tons per day to 350 tons and the present manager, M. W. Summerhayes, now plans to step the capacity up to approximately 750 tons. Whether the present and proposed production plans can be as enthusiastically received as the public are being led to believe can only be determined by results during future years, and the shattered confidence of the investors cannot expect to be regained within a period of a few short months.

Add to Tonnage

Late in 1927, shares of the company sold for an all time high of $8.45, following an ambitious milling programme of 700 tons daily and a split in the company's shares, accompanied by a sensational market activity. In October, 1929, they reached a low of $1.15, while current quotations are around $1.85 per share.

No interim report nor official information has been forthcoming since the annual report early this year in which Mr. Summerhayes outlined development during his régime, which inferred that considerable progress had been made in preparing the property to resume its former tonnage treated. Coincident with the restricted production milling equipment has been supplemented by the addition of agitators, cyanide tanks and a tube mill which not only will increase the capacity to 750 tons daliy, but reduce the tailings loss to a minimum.

During 1929, the average recovery per ton was $9.25, while during the first quarter of 1930 the recovery averaged $11.28 per ton from a daily average of 550 tons treated. Figures for the second quarter are not yet available, but engineers conversant with the property state that recovery has been stepped up to approximately $12 per ton. Assuming that this recovery can be maintained, next month will see the company entering upon the greatest rate of production in its history.

The company's property, consisting of four patented claims, approximately 152 acres in Teck township at Kirkland Lake, Ont., was staked in 1911 by W. H. Wright. In 1913, it was optioned to R. Cartwright who did some exploration work, shipping high-grade ore encountered to the smelter, but the option was allowed to lapse and the property was idle for seven years. In 1916, the present company was formed and development operations began, while initial production started in 1921 with a capacity of 200 tons daily.

1928 is Record Year

The following is a tabulation of production during past years:

PRODUCTION IN CALENDAR YEARS

	Tons milled	Gold produced fine ozs.	Value $	Silver fine ozs.	Value $	Total Value $	Recovery per ton $
1921	36,081	22,617.50	467,503	2,006	1,247	468,665	13.00
1922	66,181	36,748.81	759,585	4,702	3,167	762,752	11.52
1923	79,242	36,369.82	751,781	4,968	3,197	754,978	9.52
1924	84,487	52,464.78	1,084,447	6,412	4,278	1,088,725	12.88
1925	147,939	92,286	1,907,557	8,520	5,845	1,913,401	12.94
1926	153,392	103,793	2,145,404	8,912	5,440	2,150,844	14.02
1927	209,164	103,799	2,145,522	11,378	6,394	2,151,916	10.51
1928	256,336	88,580	1,831,112	12,778	7,397	1,845,923	7.20
1929	188,238	86,631	1,728,815	11,323	5,918	1,741,872	9.25
	1,221,055					12,879,076	10.55

The property has been developed by two principal shafts, Nos. 1 and 3, sunk on the main productive veins known as No. 1 or north vein and No. 2 or south vein. Both of these shafts have been sunk to a depth of 2,250 feet and it is planned to extend them to the 2,500-foot horizon before the end of the current year.

Last Year's Profit Lowest

Net profits for the past year were lowest during the previous six years, although indications are that owing to the increased production and higher recovery, earnings during this year will be in excess of the two previous years.

Following is a summary of earnings in recent years:

INCOME AND SURPLUS ACCOUNT, YEARS ENDED DEC. 31

	1929 $	1928 $	1927 $	1926 $	1925 $
Bullion production	1,741,872	1,845,923	2,151,816	2,150,843	1,913,401
Less operating expenses:					
Devel. and explor.	363,417	326,863	236,560	107,306	111,371
Stoping	345,431	349,333	263,596	232,532	196,141
Transf. and hoisting ore	203,040	231,227	182,933	109,972	93,357
Milling	233,603	270,946	241,336	184,382	171,487
Marketing bullion	12,152	12,803	14,891	13,974	14,486
New road and gen. surface	7,220	5,867	11,367	....	....
Stock and transfer. chgs.	3,655	19,692	19,057	....	....
Gen. and undist. charges	112,379	107,665	99,887	82,521	74,667
Deprec. plant and equip.	45,134	43,010	74,428	88,709	79,422
Net earn. from operations	415,841	478,517	1,007,861	1,331,447	1,172,470
Less:					
Prelim. devel. written off	....	....	....	....	30,242
Mine exhaust. written off	....	....	89,164	114,000	114,725
	415,841	478,517	918,697	1,217,447	1,027,503
Add other income:					
Exchange	9,098	1,418	478	524	261
Interest	39,706	34,799	45,360	48,000	31,487
Rent and etc.	105	3,791	4,641	4,932	4,195
Purchase discounts earned	1,345	1,401	1,861	1,155	492
Miscellaneous	5,840	3,892	7,979	6,688	739
Total net earnings	471,935	523,818	979,016	1,278,746	1,064,677
Less taxes	27,000	36,000	65,000	100,000	95,000
Net profit	444,935	487,818	914,016	1,178,746	969,677
Less dividends	....	825,000	1,237,550	618,750	687,500
Surplus for year	444,935	*337,182	*323,484	559,996	282,177
Add: Previous surplus	358,274	709,057	1,025,822	458,515	172,635
Adjustments	5,749	....	6,749	7,347	3,702
Less: Adjustments	488	13,601	30	36	....
Balance brought forward	808,470	358,274	709,057	1,025,822	458,514
*Deficit.					
Dividend Record and Earnings Per Share:					
Earned	0.08	0.09	0.17	0.43	0.39
Paid	...	0.15	0.35	0.22½	0.25

An initial dividend of five cents per share was paid for the first year of production, 1921, and was suspended with the quarterly dividend of 2½ cents a share on Nov. 1, 1928. Indications are that current earnings would fully justify dividends being resumed the latter part of this year.

Following is a record of previous dividends paid:

Dividends Paid for Fiscal Years

Year	Paid per Share	Amount
1921	.05	*$137,500
1922	.12½	343,750
1923	.05	137,500
1924	.12½	343,750
1925	.25	687,500
1926	.22½	618,750
1927 (old stock)	.25	687,500
1927 (new stock)	.10	550,000
1928	.15	825,000
1929	..	......
		$4,331,250

*Paid during year 1922.

Assuming that the average future net earnings of the company were equivalent to those in 1926, the record year which amounted to the equivalent of 21½ cents per share on the present stock, and further assuming that 20 cents per share annually was distributed in dividends, the maximum rate paid in former years, an actuarial calculation reveals an interesting angle of the required life of the property to justify present market valuations.

Should Live 15 Years

Based on this assumed dividend, and with current market valuations, an average annual dividend of 20 cents per share, gives eleven per cent yield. If six per cent of this return was treated as interest on the investment and the balance applied as a return of capital to amortize the investment, a period of fifteen years would have to elapse before the present market value of $1.85 per share would be justified. With credit given for excess of present current assets over current liabilities this would amount to approximately 25 cents per share.

The only indication of probable life of the property is the ore reserves, estimated for the first time in the 1929 report, of 418,877 tons averaging $11.30 per ton, equivalent to approximately one-and-a-half years supply for the proposed mill capacity.

With one-and-a-half years ore estimated it is evident that 13½ years ore has yet to be found of an equivalent grade. Such being the case, the speculative element in the shares of the company, assuming that it can earn and pay 20 cents annually in dividends, is dependent on the ability to produce an additional 13½ years supply of ore.

The authorized and outstanding capitalization of the company is 5,500,000 shares of no par value. The original authorized capitalization was 2,750,000 shares of $1 par all issued which were exchanged in 1927 on a two-for-one basis into the present capitalization.

Swift Current Sells Plant

Swift Current city council have decided to sell the city power plant to the Saskatchewan Power Commission for a sum of $200,000, the transfer to be effected as soon as an agreement can be executed. The draft agreement provides for the sale of power to the city wholesale at the power plant at cost of production, plus an additional charge of one-fifteenth of a cent per kilowatt for the provision of a reserve for emergencies. The city is to retain its distribution system and fix local rates.

McINTYRE MINE EARNINGS GAIN DURING QUARTER

Earns $484,035 as Compared With $441,179 for Same Period in 1929

The quarterly statement of earnings of McIntyre Porcupine Mines for the period ended June 30 shows a substantial advance over the same period last, but falls short of the average earnings for the past fiscal year.

	Quarter end. June 30, 1930	Same period last year
Gross income	$1,148,866	$1,062,611
Costs, includ. devel.	633,303	592,499
	$ 515,563	$ 470,112
Less: Prov. for taxes	31,528	28,932
Net earn. before depr.	$ 484,035	$ 441,179

The average quarterly gross income for the past fiscal year was $1,156,415, while the net earnings before depreciation and write-offs was $518,075, costs likewise were slightly in advance of last year's average.

There is never any great variation in McIntyre's gross income, due to the fact that the grade of ore treated is very constant, always close to the published assay value of the ore reserves. The tonnage treated, too, has not varied greatly during past months.

The June gold report by the Ontario department of mines indicates that gold production for the Porcupine camp is down approximately $200,000 below each of the previous two months, since this drop is not from McIntyre, Vipond's production is up, and Hollinger's is up, the government report is rather difficult to interpret.

Strong Banking House Backs Canadian Mines

In these times of depression when mining companies are finding it difficult to finance operations it is very significant that such a firm as J. P. Morgan & Co., recognized as one of the strongest investment houses in the world, is turning its eyes toward Canada and assisting in financing some of our major mining developments.

At a meeting held on June 6, shareholders of Hudson Bay Mining & Smelting approved of a $5,000,000 debenture issue which has been underwritten by the house of Morgan and shareholders of International Nickel Co. will meet on July 25 to approve of issuing additional common stock which is reported to be underwritten by New York interests. No official information has been given out by International Nickel as to who the underwriters might be, but well informed circles credit J. P. Morgan & Co. as being interested. As was pointed out in the June 19 issue of The Financial Post, the name of Morgan has more than once been associated with the buying of International Nickel stock during the market recession.

An official of International Nickel recently estimated that 75 per cent of the common stock of the company was held in Great Britain and Canada. Whether the recession of four weeks ago has changed this position is left to conjecture, but if the house of Morgan are the underwriters for the proposed issue, its relation with the United States Steel Corp. has a significant bearing on the situation.

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Cons. Smelters Has Prospects In S. W. Africa

Consolidated Mining & Smelting Co. has maintained a prospecting party for the past two years in Africa and now word comes that it has acquired a concession in South West Africa, a mandated territory, formerly known as German South West Africa, but now under British administration.

The concession grants the company the right to prospect over a large mineralized area, the importance of which can be gained from the fact that annually in excess of $10,000,000 worth of diamonds is produced from this colony.

W. M. Archibald, vice-president in charge of mines for Smelters, recently returned from South Africa and it is probable that, while his visit was ostensibly to attend the British Empire Mining Congress, he interested himself in the company's explorations, while there.

Smelters' entry into far-away fields comes as a surprise to many not acquainted with its widespread exploration programme. Last year it had prospectors and exploration parties in all the provinces of the Dominion, except Nova Scotia, New Brunswick and Prince Edward Island, and in addition had parties in Alaska, Northwest Territories, Labrador, Newfoundland as well as in the United States. While there were no tangible returns for this effort, it evidences an intensive expansion programme on the part of the company.

Seek Funds of Shareholders to Finance Saddle Claims

VICTORIA, B.C.—Five hundred feet of drifting and an upraise of 200 feet will be necessary to put the Saddle group of claims, a silver-lead-zinc property in the Nass River mining division of British Columbia, owned by Silver Crest Mines Ltd., on a shipping basis, at a cost of approximately $15,000, according to a report just submitted to the shareholders. Owing to the depressed condition of the mining stock market, the directors have found it impossible to finance the work on satisfactory terms, and accordingly have asked the shareholders to subscribe for sufficient treasury stock at 10 cents a share to provide required funds to carry out developments recommended by P. E. Peterson, M.E., and to substantially reduce the company's present indebtedness.

Extracts from the engineer's report state that development work in the Saddle drift has definitely proven that the ore as exposed in surface outcrops continues to a depth of approximately 200 feet. The ore found in this drift tunnel is of primary origin, and it is safe to conclude that it will continue to great depth.

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MILL EXPANSION WILL INCREASE USE OF POWER

Ontario Mines Sign Contracts With Can. Northern Power Corp.

Canada Northern Power Corp., supplying power to the northern Ontario mines, emphasizes bright prospects for the future owing to the increase in the power load from the mines which have expansion programmes under way, in a recent letter to shareholders.

In Porcupine, Dome Mines has a 1,500 mill under construction, replacing the one destroyed by fire last fall, while McIntyre Porcupine has a new 2,000 ton mill under way, but it is doubtful if this new mill will take more power than the present 1,500 ton plant, owing to economies effected in grinding. In Kirkland Lake, Lake Shore Mines is stepping up its capacity to 2,000 tons daily; Teck-Hughes has an expansion programme planned, and Wright-Hargreaves is stepping up its tonnage to 750 tons daily, after a year's operation averaging around 500 tons daily.

A most significant statement by the Power Corp. is that the Kirkland Lake producers have signed a new contract. A policy of passive-resistance has been in effect for many months in Kirkland Lake, the producers refusing to sign what they believed to be a blind contract. As a consequence they have been purchasing power which in some cases averaged at the rate of $82.60 per horse power year.

Lake Shore were the first to make peace and sign the new contract, early this year Teck-Hughes signed up, now the balance of the producers are reported to have signed. The immediate effect of the new contract will be a reduction from the current charges which have been in effect, but these are still considerably in advance of the rates formerly enjoyed in the district.

Offer Common Shares Atlas Exploration Co.

Atlas Exploration Co. is securing new financing by the sale of 250,000 common shares throughout the west. The company represents a merger of two established companies, Atlas Exploration Co. and Mining Issues Corp. which have been engaged for the past two years in development of mineral deposits in various parts of Canada.

Through the merger of the present company now controls large share interests in Northern Lead Zinc, Ltd., Duthie Mines, Ltd. and General Explorations Syndicate. The company will continue the development of properties already held and also exploration for new properties of merit.

The company has an authorized capitalization of 5,000,000 shares of no par value of which 650,000 are now issued and with the offering of 250,000 shares at $1 each the company will have 4,100,000 shares remaining in the treasury. Offering is being made by D. S. Paterson & Co. and W. F. Irwin Co., Vancouver.

Keeley Production Shows Good Increase

An official report for the second quarter of the current year shows that Keeley Silver Mines enjoyed a substantial increase in production over the first quarter. Following is a comparison of the first two quarters of the current year together with the last fiscal year ending July 31, 1929.

Period	Tons treated	Recovery	Per ton
1st. quar. ...	28,336	$211,800	$7.47
2nd. quar. ...	28,709	246,200	8.58
1929	100,540	797,114	7.92

It is stated that irrespective of the current prices of silver a small profit was realized during the period, but that the future of the property is uncertain.

The report does not state the tonnage of ore treated, but indications are that the increased silver production came from selective mining which produced a much higher grade ore than that treated in previous months and that this higher grade ore permits the company to continue operations at a profit.

Onalto Oils Resume Drilling on No. 1 Well

From Our Own Correspondent

MONTREAL.—Following a fire which destroyed a derrick, and a large part of its equipment, Onalto Oils Limited, have resumed drilling on No. 1 well in April, and have concluded at a depth of 2,232 ft. It is stated that at this depth oil started rising in the hole and is reported to have risen more than 700 ft.

All necessary pumping equipment is on the ground or in transit and it is planned to commence production at once. It is estimated initial production will run from 100 to 150 barrels daily.

PROFITS IN OIL

Those interested in the profits to be made investing in oil stocks can secure all the information obtainable about each company—the directors and officers; the geological structure; description of the property; extent of development work; production; earning record; royalty obligations and drilling contracts; stock market record, etc., from the latest Financial Post Survey of Canadian Oils.

This book is the only authority on the subject. It gives a complete picture of over 1,300 oil companies incorporated to operate on prospect, as well as the history of oil development in the Dominion, maps showing oil areas, and location of wells, etc. With it beside you, you can take a large part of the gamble out of investing money in oil stocks.

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Hudson Bay Mining Lists Debentures

Debentures of the Hudson Bay Mining & Smelting Co., which were underwritten by J. P. Morgan & Co., New York, have been formally listed on the New York Curb. The issue consists of $5,000,000 in 6 per cent five-year convertible $100 par debentures, dated July 15, 1930, and due July 15, 1935.

Rights were issued to Hudson Bay shareholders to subscribe for one new $100 debenture at par for each 50 shares of common stock held. They were convertible into common stock on the basis of one share of stock for each $10 principal amount of debenture during the period from and after July 15, 1930, to July 15, 1933, inclusive; one share of stock for each $12.50 principal amount of debenture from and after July 15, 1933, to July 15, 1934, inclusive; one share of stock for each $15 principal amount of debenture from and after July 15, 1934, to July 15, 1935, or maturity.

VIPOND RECOVERY SHOWS INCREASE IN LAST QUARTER

Ore Reserves Greater Due to Further Underground Development

The official report for the second quarter of 1930 shows Vipond Consolidated Mines as treating much higher grade ore than during the first quarter. The following is a comparison of the two periods together with a total for the fiscal year ended July 31 last:

Period	Silver Recovery	Cobalt Recovery
1st. quar.	258,890 oz.	14,349 lbs.
2nd. quar.	272,963 oz.	25,563 lbs.
1929	684,997 oz.	100,889 lbs.

The report further states that, although there has been a substantial increase in production, developments underground have enabled the company to maintain and somewhat improve its ore reserves which at July 31 last were given at 127,500 tons with an average assay of $8.16 per ton.

This most satisfactory increase in gold output comes as no surprise to those who have been following the company's development programme of recent months. Early in the year, development work encountered what is believed to be the extension of the Hollinger 44-vein system on the company's 426-foot level, where an ore body 175 feet long, 9 feet in width, and averaging over $7 in gold per ton was encountered. Diamond drilling also picked up the Hollinger 427 vein adjacent to the Hollinger-Vipond boundary, which was subsequently confirmed by drifting, showing assays in excess of $8.50 over a 10-foot width.

This increase in ore reserve is looked upon as being most gratifying, particularly since the company has had no ostentatious exploration programme and has had to work along in a quiet way carrying out its development work coincident with and from earnings, while normally treating approximately 300 tons of ore daily.

COMMON STOCKS FORM GOOD PART OF INVESTMENT

Favored By Chairman of Dominion Scottish Trust

That the orthodox investment trust has come to stay and will form an important unit in Canada's financial structure as it has in Great Britain, is the belief of C. S. Macdonald, chairman of the board of Dominion Scottish Investments, Ltd., as expressed at the annual meeting of the company held recently.

Mr. Macdonald pointed out that since the company was incorporated in May, 1929, there has been a series of financial and business declines which form a formidable list to be faced by any investment trust in its first year. The company had, however, come through the period with a paper depreciation of only 11 per cent and the shareholders should be able to look forward with confidence to the future. Common stocks form 58 per cent of the investments and, while this proportion may be rather high, Mr. Macdonald stated that it is in accordance with modern investment practice.

Favors Common Stocks

Mr. Macdonald quoted in part from a speech of Sir George Touche made in May, 1930, at a meeting of the Industrial and General Trust as follows:

"The old doctrine that investments should be in high-grade, fixed-interest securities has been replaced by a new one, for which there is statistical support. The new one is that the investor who faces the supposed risk of ordinary shares does best both in capital and revenue value.

"Like most doctrines it can be followed too blindly. Many a man has put his money into ordinary, shares and lost it all. It is in the aggregate that the doctrine holds good. Individual investments may be disappointing. They may be well-selected, but industrial and other conditions may alter, and change their prospects completely. It is only when dealing with an aggregation of investments that one is on sure ground in maintaining the advantage of the ordinary share. A trust company can do this in a measure which is open to few individual investors.

"The investor who buys ordinary shares should distribute his risks, keep them constantly under review, and know when to change them. The exception to this rule is when he buys the ordinary stocks or shares of an investment trust, where all this is done for him. Those are unlike any other ordinary stocks or shares. He is not then risking his capital in one enterprise or industry, which might go wrong, with grave loss to him. His holding, although in ordinary stock, is distributed over so many enterprises and industries and countries that they can never all go wrong together. Moreover, there is always a large proportion of them in the remunerative types of debentures and preference shares."

ONTARIO MINES GOLD RECOVERY HIGHER IN JUNE

Porcupine Production is Lower Both in Tonnage and Value

The value of the crude bullion recovered in June by the gold mines of Ontario, as reported to the department of mines, shows a slight increase over the figures for the previous month. While the tonnage milled fell off by 2,757 tons the value was up $18,204.

As compared with May, output from the Porcupine camp was lower both in tonnage and value, mainly accounted for by the shorter month, while Kirkland Lake showed a slight gain in tonnage milled for a relatively greater increase in value recovered.

June receipts of crude bullion from Ontario at the Royal Mint, Ottawa, totalled 42,086.68 crude ounces containing 29,376,216 fine ounces of gold and 6,076.71 fine ounces of silver, having a total value of $609,358.

During June producing mines in order of output were as follows:

Porcupine: (7) Hollinger, McIntyre, Vipond, Coniaurum, March, Dome, and Porcupine United.

Kirkland Lake: (6) Lake Shore, Teck-Hughes, Wright-Hargreaves, Sylvanite, Kirkland Lake Gold, and Barry-Hollinger.

Miscellaneous: (1) Howey (Red Lake).

MONTHLY OUTPUT OF ONTARIO GOLD MINES
(Gold and Silver Values)

Source and Period	1929		1930	
	Tons Milled	Total Value Crude Bullion $	Tons Milled	Total Value Crude Bullion $
Porcupine				
Calendar year	2,865,261	19,372,464	......	......
Average per month	238,772	1,614,372	......	......
January	247,765	1,604,861	210,554	1,460,600
February	222,465	1,465,684	187,626	1,313,661
March	247,169	1,587,601	209,128	1,464,947
April	241,656	1,498,671	205,810	1,561,925
May	245,349	1,687,477	210,533	1,545,110
June	232,231	1,529,598	205,164	1,347,189
Kirkland Lake				
Calendar year	1,099,209	14,079,274	......	......
Average per month	91,601	1,173,273	......	......
January	89,227	1,058,413	101,443	1,281,880
February	89,416	1,151,710	96,096	1,296,246
March	96,608	1,196,959	100,075	1,487,216
April	91,554	1,200,166	95,064	1,393,520
May	91,046	1,157,028	99,261	1,349,969
June	86,497	1,358,690	99,868	1,552,921
Total for calendar year	*3,965,212	*33,473,148	......	......
Average per month	330,434	2,789,429	......	......
Total for January	336,992	2,663,274	311,997	2,742,488
Total for February	311,881	2,615,394	283,722	2,609,907
Total for March	343,777	2,784,560	309,303	2,952,163
Total for April	333,210	2,698,837	*307,556	*2,977,296
Total for May	336,395	2,858,704	*317,789	*2,933,906
Total for June	318,728	2,888,288	*315,032	*2,952,110

*Includes miscellaneous group of N.W. Ontario.

Mining Inquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance inquiries on sheets separate from mining inquiries. No answers can be given by telephone or telegram.

Malone Lake

We would be obliged for any information you could furnish in regard to Malone Lake Mining Co.

Malone Lake Mining Co., has its head office, care of Joseph Montgomery, Federal Building, Toronto. Its property consists of six claims, approximately 264 acres, located in McVittie Township, Larder Lake area, Ontario. The company is inactive, through the lack of funds. Last year a small amount of money was raised, and when this was exhausted, operations were again shut down.

This area has not responded to development and adjoining undertakings have also stopped. The future for this company looks very dark.

Two-in-One Gold

I hold some stock of Two-in-One Gold Mines, Ltd., but have not heard of the property lately. Can you give me any recent information?

The Two-in-One Gold Mines, Limited, owns a non-producing gold property comprising some 880 acres in Whitney Township, in the Porcupine mining district of Ontario. The property has been developed by four shafts, the deepest being 60 feet and considerable trenching has been done. No work has been done on the property for some time. The company has a branch office at 17 East 45th Street, New York City.

Central Manitoba

I hold 75 shares of Central Manitoba Mines Ltd. Would you recommend my holding this stock or selling it for what I can get?

In our opinion, Central Manitoba Mines is continually becoming less attractive. An official of the company informed The Financial Post some time ago that indications were that they probably would shut down and that operations would be confined to development work only. The shares have sunk to such a low level that there is no great object in disposing of 75 of them and possibly you would be just as well advised to hold in the hopes that the company's operations would ultimately prove successful.

Sasko-Wainwright

I would appreciate receiving from you up-to-date information on the Sasko-Wainwright Co.

Sasko-Wainwright Oil & Gas, Ltd., has extensive holdings in the Wainwright field in Alberta, which to date has not demonstrated that it is a commercial oil producing area of importance. The company has one well completed to a depth of 2,242 feet, which during 1929, produced approximately 5,800 barrels of heavy crude oil, worth probably $2 per barrel. The site for another well has been selected for many months, but operations have not as yet started.

The company is in the position of hundreds of others in Alberta, and we see no particular attraction in the shares as an investment. It is a long range speculation, but with but slight hopes of any success.

Kirkland-Hunton

Please inform me as to the present position of Kirkland-Hunton mine, as I own some shares and have not heard anything recently regarding the property.

The Kirkland-Hunton property was closed down after being subjected to a thorough try-out.

San Antonio

What is your opinion of San Antonio mine? Do you think that it is an attractive hold?

What has become of Murphy Mine?

San Antonio is responding in an encouraging manner to development work and is believed to offer mine-making possibilities.

Results secured in underground work at the Murphy Mine proved disappointing and resulted in the closing down of the property.

Mountain Boy

Will you kindly, let me have your opinion on Mountain Boy Mining Corp. What is the present value of the shares?

The Mountain Boy Mining Corporation property is located in the Portland Canal district of British Columbia. Development work has disclosed a small vein some seven to eight feet wide carrying values in silver and lead with a narrow high-grade streak running through it.

Silver and lead are now selling at prices at which few mines can operate at a profit and the majority of the British Columbia mines have shut down for this reason, and we understand Mountain Boy is included in this group.

The shares have never been listed, but we are informed that there was an over-the-counter market in Montreal some time ago, but none at the present time.

Kootenay-Florence

I hold Kootenay-Florence and Jackson-Manion mining stock, bought when it was at about its high, and at this time I would appreciate hearing from you as to your opinion on these mines. Do you think they will eventually come back?

The Kootenay-Florence which was being financed by the firm of Stobie, Forlong & Co. has been shut down since this firm went into liquidation. It is therefore, impossible to form any conclusion as to its future until the present bankruptcy proceedings have been concluded.

There is no change in regard to the Jackson-Manion position. The property has been closed down for some time and there does not seem to be any immediate prospect of operations being resumed.

Price of Silver

What is the general effect of the drop in the price of silver on Canada?

The slump in the price of silver and of lead and zinc has resulted in the suspension of operations by all the British Columbia silver, lead, zinc mines with the exception of Base Metals Corporation and the Sullivan Mines of the Consolidated Mining & Smelting Co.

In Ontario where silver is mined in its pure state or in association with cobalt ores, operations are still in progress. The margin of profit, however, has been reduced to a point where the mines are now salvaging the high grade ore and unless there is an improvement in prices it is only a matter of a short time before these properties will shut down.

A certain amount of silver will be continued to be produced from mines in which this metal is recovered as a by-product, such as the gold nickel and copper mines.

Irving Oil

I am holding some shares of Irving Oil Company common stock. Would you please give me your opinion of the future prospects on the company?

Irving Oil Company has made progress in the past two years and its outlook can be considered encouraging. The company is expanding while its earnings should reflect the growth of tourist traffic and the favorable business conditions in the Maritime Provinces.

Arno

I hold a number of shares of Arno Mines Ltd. and would like your opinion of this company's property.

Arno Mines, Limited, is meeting with a small measure of success in developing relatively low grade copper properties in Cape Breton County, N.S. Operations are an attempt to revive a property that was worked as early as 1881, but the present low price of copper is militating against the chances of it ever being a profitable undertaking.

The company's finances are in a poor state, although recent advice is to the effect that negotiations are under way, which, when consummated, will provide funds to carry on operations.

Gypsum, Lime & Alabastine

Having approximately $1,000 to invest, I have been making enquiries for suitable securities bearing a fair interest return. It is of the utmost importance that this investment be composed of items considered "safe" with an interest rate of 6 to 7 per cent.

The following recommendations have been made, but each are composed of either $500 or $1,000 denominations. Would you consider it wise to confine the value of the investment to one or two bonds of the above values, or spread it over a number of items of $100 denominations?

In your case we would favor the purchase of a $500 Gypsum, Lime & Alabastine 5½ per cent first mortgage bond, due March 1, 1948, to yield 5.63 per cent and either 40 shares of Loblaws or 4 shares of City Dairy preferred. You would thus get both reasonable safety and a revenue approaching what you ask.

All of the bonds mentioned in your list are safe but we suggest the $500 bond with the highest degree of safety and the lowest yield as a backlog for your list. In future purchases you might seek greater revenue from bonds of the calibre you mention in your list while remaining distinctly selective in your purchases of stocks.

Your Mining Stocks; Their Present Status

Grandview
Golconda

Canadian Mines from A to Z in Crisp Weekly Reviews

What are the most promising mining stocks? Which ones are unattractive? The purpose of this series of analyses is to enable the investor to appraise his present holdings and to choose the most promising stocks to add to his list.

The Financial Post proposes to summarize the present position of every listed mining stock in Canada. The stocks chosen will be those quoted weekly in the table of mining stock quotations published in The Financial Post. Others will follow week by week until the entire list has been discussed.

In this series of articles no attempt will be made to publish other than facts and opinions based on those facts. The purpose of the series is not to arouse false hopes nor to create dissatisfaction with any stocks but frankly to analyze the present position of each stock and each mine.

DUNKIN GOLD

Dunkin Gold Mines was incorporated by Home Smith and associates to develop a gold prospect consisting of 13 claims in the Woman Lake area, Patricia district, Ontario. Operations were suspended in 1929 after a report by Cyril W. Knight.

The financial position of the company is not disclosed but there is nothing to indicate that it will again become active.

Shares of the company last changed hands on July 9 at 2 cents per share.

EVERETT MINES

Everett Mines has been inactive since 1923. From incorporation in 1909 to 1923 it developed its silver property in the Gowganda district, of Ontario, off and on but can now be considered definitely dead as its treasury is depleted.

Shares of the company last changed hands on March 24 at 2 cents per share.

FEDERAL KIRKLAND

Federal Kirkland Mining Co. suspended operations on its property consisting of approximately 300 acres northeast of the producing area at Kirkland Lake, Ont., late in 1928.

There is no activity in the stock of the company, the last shares changing hands on June 10, at 1 cent each. There is no valid reason for believing the company will ever be revived.

FRANCO CANADIAN GENERAL MINING CORP.

Franco Canadian General Mining Corp. is a Quebec incorporation of 1928, organized as a holding and investment company. No statement has been issued and the financial position of the company is unknown. No shares of the company have changed hands during the current year, nor is there a market for them.

GOLCONDA LEAD

Golconda Lead Mines is an Idaho corporation, formed in 1927, which owns a producing lead-zinc property in the Coeur d'Alene mining district of Idaho. The property is an old producer, which was revived upon formation of the present company. The company met with considerable success from the start and paid dividends totalling $80,000 prior to the recession in the price of lead.

On December 31 last, current assets of $128,000 with no current liabilities were reported. No statement has been forthcoming since that time to indicate how present low prices are affecting the company. Most of the smaller lead properties have been forced to close down pending an increase in price for this metal, but according to last reports Golconda was still operating. Shares in the company hold no attraction for the investor at the present time.

GRANDVIEW MINES

Grandview Mines is a Washington corporation which owns a producing lead-zinc property in the Metalins mining district of that state. Its holdings consist of approximately 400 acres the east side of the Pend d'Oreille River, one and one-half miles north of Metaline Falls, and on the opposite side of the river from the property of the Pend d'Oreille Mines and Metals Co.

The financial statement of the company at the end of 1929 showed current assets in excess of current liabilities of approximately $30,000, the operating statement showed a loss of $140,000.

This company is sharing the general depression caused by the low base metal prices and there is nothing to indicate that the immediate future holds any promise for improvement. The company's treasury is not in a healthy state and all of the $1,500,000 capitalization authorized has been issued.

While it is an American company, there is a large Canadian interest and its shares are listed on the Vancouver exchange. The company's future is not at all bright.

GILBEC MINES

Gilbec Mines suspended operations in December last, following depletion of its treasury. Its holdings consist of a group of 33 claims in Dufresnoy township, Rouyn district, Quebec, adjoining the property of Newbec Mines. The development work included the sinking of a shaft to the 100 foot horizon and doing approximately 3,300 feet of diamond drilling, but no commercial ore of importance was encountered.

About the only hope of the company being revived is by favorable results being obtained from the adjacent properties and the return of higher copper prices which would instill new interest, for further exploration. Shares of the company last changed hands in May at 3 cents per share.

MINES DEPARTMENT IS WIDELY ACTIVE

Performs Valuable Work in Many Different Fields

The Federal Department of Mines, Ottawa, under the direction of John McLeish, has just issued a survey of operations in progress and proposed by this department for the current year. The co-operative effort of the department in all of its phases offers invaluable assistance to the development of mining and the utilization of natural mineral resources in general.

One of the most tangible evidences of co-operation is that rendered by the ore dressing and metallurgical division under the direction of W. B. Timms. This department is conducting investigative work on ores from one end of the Dominion to the other. Facilities are also offered independents, to conduct experiments along special lines, such as floatation reagents.

In the natural gas and crude oil division, investigations are continuing into the oil shale possibilities, particularly in the Maritime provinces. In the Turner Valley field the survey will be extended to include the wild gas lost through the weathering of the naphtha. Natural gas samples will also be collected for examination as to helium contents.

In the fuel division investigations are being continued as to possible improvements which might be introduced in the utilization of coal, its marketing and its behaviour when burned in the pulverized state.

In the ceramic division investigation will be continued on the clay and shale resources, also the utilization of the china clay from the St. Remi deposits of Quebec, and the method of washing and preparation of silver sand found in conjunction with these deposits.

The research work being carried on by the department, while in many cases intangible, nevertheless lends invaluable assistance which goes to making of the mining and mineral industry as a whole more profitable throughout the Dominion.

Metal Prices

New York, July 15—

Copper—Electrolytic spot, 11½c. lb.

London, July 15—
(Long tons)

Copper—Electrolytic spot, £52 10s.; future, £54 10s.; Standard spot, £48 2s. 6d.; future, £47 17s. 6d.

Tin—Spot, £135 5s.; future, £135.
Lead—Spot, £18 5s.; future, £18.
Zinc—Spot, £15 17s. 6d.; future, £16 12s. 6d.
Silver—15 15/16d. per ounce.

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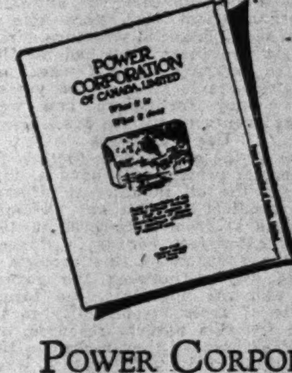
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NO FURTHER AID DUE FOR BUSINESS FROM WASHINGTON

Patient Must Now Recuperate by Himself

That business conditions will not again approach "normal" until the turn of the year but that some improvement may be expected in late August, is the opinion expressed in a current review of the business outlook by Standard Statistics, and emanating from Washington. Business, the review points out, is to be left free to work out its own salvation. In other words Washington believes that it is just plain overproduction and not credit conditions particularly that are responsible for the present situation and the only thing to do is let business go through natural stages of recuperation. Business, it is felt, has by no means gone to the dogs but is just temporarily upset.

Extracts from the review, which is a frank and encouraging analysis of conditions in the United States, and can be applied almost directly to Canadian business, are as follows:

"Washington has no special plans for checking the commodity price decline, or for improving business. The Washington attitude is that all that can be done has been done from this quarter, and that business must work itself through and out of the slough.

"The feeling here is that the bottom has about been reached in commodity prices, but this was the feeling a month ago, so the opinion deserves no great weight. It is not oracular.

"Even with allowance for the political spirit in Washington, which tends to manufacture artificial optimism, it can be said that the attitude here is more hopeful of early business recovery than the attitude prevailing in most parts of the country. Late August is most commonly mentioned as the probable time when slight improvement will be noted. The restoration of "normalcy," which means different things to different people, is now put at the end of the year instead of "late fall" as formerly, thus implying a gradual weakening of the hopes maintained thirty days ago.

"Credit is cheap and theoretically abundant, yet the flow is sluggish and the demand for it weak at a time when purchasing power of the dollar is unusually high. There has been some talk of having the Federal Reserve Banks buy a quantity of government securities, thus pumping credit into the market, flooding the banks with credit, forcing them to employ it by buying bonds. This would help the bond market, but Washington has no desire to help the bond market for itself alone. If a better bond market would lead to physical construction projects, these might be helpful. Yet the country does not seem to need more physical facilities for production than it now has or is getting. Consequently, there is no enthusiasm for any suggested policy of buying government securities.

"Another policy now being advocated in some quarters is for the Federal Reserve System to make installment paper eligible for re-discount, thus tending to encourage installment buying at this time, stimulate consumption and restore production. The policy has its merits, but the fact is that the Federal Reserve authorities are not considering it for adoption at an early date. If it comes, it will not be until after the current business recession is past.

"The Federal Reserve System has no intention of making any change in policy until fall. Rediscount rates will remain low, of course.

"One of the complaints emanating from economic quarters of Washington is that retail prices did not fall along with wholesale values. There is now some evidence that retail prices are declining, and this is relied upon to increase consumer buying and lead to resumption of active production of consumers's goods. The maintenance of fair retail business is one of the points emphasized by those who feel that "business is not as bad as most people think."

"The most common Washington belief is that the world-wide slump of business is not due primarily to credit conditions, but merely to overproduction and a temporary faulty adjustment of purchasing power. Consequently, the United States and the world must go through a slow process of recuperation.

"The one thing which Washington honestly tries to emphasize is that the country's business is not going to the dogs, that it is only temporarily upset, that fundamentally the nation is healthy. This sentiment would be expressed more emphatically from official quarters except for the fact that officials have learned in recent months that the grumbling is greatest following one of these blasts of assurance from Washington. The recuperating patient has a bad temper."

J. B. White Elected Head Bathurst Power and Paper

From Our Own Correspondent

MONTREAL.—At the annual general meeting of the Bathurst Power and Paper Company, the board of directors was re-elected without change. It follows: Brig. Gen. J. B. White, A. J. Nesbitt, P. A. Thomson, G. H. Montgomery, H. J. Webb, A. E. McLean, J. B. Woodyatt.

After the annual meeting the following officers were elected at a director's meeting: President, Brig. Gen. J. B. White; vice-presidents, A. E. McLean and H. J. Webb; treasurer, H. J. Webb; assistant treasurer, George A. Schryer; secretary, S. B. Bond.

Canada Dry Lets Contract

The contract for the new Edmonton plant of the Canada Dry Ginger Ale Company, to be erected on a site just west of the Canadian Pacific's Strathcona freight sheds, has been let. It is estimated that the structure will ultimately cost $100,000.

Calgary & Edmonton Report June Deliveries As High Monthly Record

Six Months' Production in Turner Valley is Up 174,863 Bbls.

EXTEND EXPLORATION

Experiments in Possible Uses for Waste Gas Will Have Effect on Oil Industry

An official report by the Calgary & Edmonton Corp. gives the total of June deliveries from Turner Valley to the Imperial and Regal refineries as 111,960 barrels, a new high record for monthly production which brings the first six months production to 174,863 barrels in excess of the same period in 1929.

The report states that 16 new wells have been added to the list of producers in Turner Valley since the first of the year and that the drilling operations now under way may be reasonably expected to increase this number to 25 by the end of the current year.

Has Wide Holdings

The Calgary & Edmonton Corp. owns approximately 1,150,000 acres of petroleum and natural gas rights on lands checkerboarded over the principal producing and potential oil fields in Alberta, on which it receives royalties varying from 10 to 15 per cent on production. In reporting on the various areas and developments in which the company holds an interest, the report states as follows:

"In making a comparison of the development programme of 1930 as compared with that of 1929, one is struck with the increased interest in territory outside of Turner Valley; geological parties, core drilling campaigns and deep tests are scattered throughout almost the length and breadth of the province. Most of this investigation work is being carried out by companies possessed of the necessary funds and trained technical staffs to ensure that the work will be well done, and the results should be far reaching.

"Much of this activity is due to the preliminary geological surveys that have been quietly carried out during the past few years and to the growing conviction that new productive areas will probably be located both in the faulted zone of the foothills as well as the more regular area of the plains. Due to the general depression of the stock market company promotions have been at a minimum this year, but existing organizations that were able to erect a sound financial structure during the past two years have had no difficulty in carrying on, and when new structures are located by the present work, money for sound and well-managed ventures will be available.

Use Waste Gas

"One of the outstanding factors, the solution of which will have a vital effect on the oil industry in Alberta, is the problem of waste gas, variously estimated at from 150,000,000 to 250,000,000 cubic feet per day. Concern over the solution of this problem is equally divided between the government and the operators, the former because of their responsibilty to the public for this natural resource, and the latter because they recognize that the revenue from this present waste would if it were marketable provide the means for much exploratory work as well as increased earnings for themselves.

"As a result of the work of the commission appointed by the Dominion and Alberta governments last year several experiments are now under way for the utilizing of this surplus gas. Chief among these is the re-charging of the Bow Island field. This method of conserving surplus gas has been most successfully carried out in several places in the United States and its success largely depends on the condition of the abandoned wells in the fields to be re-charged and also the conditions under which they were originally drilled, having regard to the water shut offs etc.

"The cities of Regina and Moose Jaw have received applications for a natural gas franchise, one of which at least involves the utilization of surplus gas from Turner Valley. The carrying out of this project presents no engineering difficulties, as the pipe line would not be much over 500 miles, and lines of this length are common in the United States, where the use of natural gas has been highly developed, in fact lines of 1,000 miles are now under construction.

Liquefy Gas

"Imperial Oil are conducting experiments in the liquefying of natural gas with a view to disposing of it for a fuel for prairie farms and small rural centres. This method of conveying natural gas to districts to which it would be unprofitable to lay pipe lines has been sucessfully carried out by several California companies and the operating of a market for this new fuel in Canada will largely depend on how quickly public confidence can be established. All of these efforts must bring an acknowledgment that a definite and intelligent programme has been undertaken for the solution of the waste gas problem and one that should bear fruitful result.

"Recent experiments carried out by the Royalite Co. in shooting wells that have failed to produce in commercial quantities has been most successful. One of the wells on C. & E. acreage to respond to this treatment was Mayland No. 1, which after being shot with a substantial quantity of nitro-glycerine has increased in flow to approximately 100 barrels per day. A shot at Sterling No. 1 was not so successful and production has varied from 20 to 30 barrels per day, rising on occasions to double this quantity. It has now been decided to experiment with a second shot at this well set closer to the casing shoe, which it is hoped will materially increase the flow.

Freezing Is Common

"Lowery No. 1 produced during March some 8,440 barrels, but freezing conditions during April reduced the output to 1,147 barrels for that month. This condition became more pronounced in May, when production practically ceased. Immediately a diamond drill was available the plug was drilled out and the well restored to normal production. Freezing has become one of the great problems of the staffs in charge of production and as yet has defied any permanent solution. The site for Lowery No. 2 has been selected almost due south of No. 1 and the derrick erected. This well will be drilled with rotary equipment and it is expected drilling operations will shortly be under way.

Mayland No. 2 after considerable trouble with caving conditions and a heavy flow of dry gas from the upper horizons has finally entered the lime at 4,710 ft. Drilling into this formation will be soon under way. Mayland No. 3, owing to difficulties with a crooked hole and caving, made less than 100 ft. in two months' drilling, and finally necessitated the Royalite Co. replacing the standard equipment with rotary.

"Mayland No. 4 has been located and the derrick for this well is now under construction. Drilling will be commenced immediately the equipment from No. 2 is available.

"Advance 5-A at 6,492 ft. has drilled over 400 ft. of lime in which one section showed good porosity. Testing operations are now under way, the results of which will not be known for some time.

Resume Drilling

"Drilling at Merland No. 1 was resumed early in May, new hole being made to 4,878 ft. when the bit became stuck in the hole. All efforts to dislodge this have so far failed and it may be some time before drilling is again under way at this site. When drilling stopped the bit was considered to have entered the Belemnite zone just above the lime. Final results at this well are of vital importance to the south end of Turner Valley. The wet gas encountered in the Dalhousie sands, from which approximately 1,000 barrels of naphtha were extracted, has created a keen interest in the deepening of the well.

"Drilling in the Highwood district has now entered the critical stage, N. W. C. & E. No. 1 having entered the lime at 2,500 ft. and Western Alberta the same formation at 3,135 ft. Drilling has been suspended at the latter well pending a definite decision of the further action to be taken, it being suggested that a shot of nitro-glycerine might increase the flow of crude oil encountered in the lime. This, however, would very likely preclude further drilling and the company at the moment are undecided whether to take this risk. The present depth of the hole is 3,878 ft. with some deflection from vertical, a common occurrence in rotary drilled holes, which, providing it is not down the dip of the formation, is not a serious matter so long as the deflection is not sufficient to hamper drilling operations.

"N. W. C. & E. No. 1 at 2,936 ft. is some 450 ft. in the lime, which, however, affords no comparison with Turner Valley, as up to the present the lime drilled cannot be correlated with the same formation in Turner Valley and only further drilling will disclose whether this present lime contains a production zone or whether the bit must pass this formation before entering a similar zone to that in which production is found in Turner Valley.

"In the Pincher Creek area Weymarn No. 2 has encountered slightly over 1,000,000 cubic feet of gas in what is believed to be Dalhousie sand. There are also some traces of oil in the cuttings and drilling will be continued.

"The Albert Gas and Fuel Co., having completed some 14,000 feet of core drilling, is now erecting a derrick to undertake a deep test in the Pincher Creek section of the foothills. This test coming at the end of one of the most thorough geological surveys ever made in Alberta will be watched with a great deal of interest."

Summary of Development

Present development on Calgary & Edmonton Corp. leases may be summarized as follows:

Anglo Pacific—standing at 495 ft.
Aerolite—derrick.
Advance 5—abandoned 3,451 ft.
Advance 5-A—testing 6,492 ft.
Angus—drilling 2,870 ft.
Alberta Gas & Fuel—erecting derrick.
Burmah Oils—location.
Commonwealth No. 1—testing Dalhousie sand 3,938 ft.
Commonwealth No. 2—location.
Duncan Oils—location.
Devonshire Oils—location.
Famous Oils—location.
Gasolite Oils—location.
Lowery Petroleum No. 1—producing.
Lowery Petroleum No. 2—rigging up.
Lundy Petroleum—standing 100 ft.
Mayland No. 1—producing.
Mayland No. 2—standing cemented in lime 4,724 ft.
Mayland No. 3—rigging up rotary 4,667 ft.
Mayland No. 4—erecting derrick.
Merland No. 1—standing 4,878 ft.
Merland No. 2—location.
N.W. C.&E. No. 1—drilling 2,967 ft.
Outwest Pete—standing 3,625 ft.
Roselite Oils—standing 1,010 ft
Southern Lowery No. 1 — drilling 3,865 ft.
Southern Lowery No. 2—location.
Shasta Oils—location.
Spray—standing 2,325 ft.
Sterling Pacific—producing.
Tea Pot Dome—location.
Vanberta (Black Diamond Dist.) — standing 1,000 ft.
Weymarn No. 1 (Pincher Creek Dist.) —standing 1,000 ft.
Weymarn No. 2 (Black Diamond Dist.)—standing 1,878 ft.
Western Alberta Oil—standing 3,878 ft.

Gypsum, Lime Buy Crystallite

From Our Own Correspondent

MONTREAL.—Another company has been added to the rapidly growing organization of Gypsum, Lime and Alabastine, Canada, Limited. This time it is Crystallite Stone Products, Limited, of Hamilton, which, in future, will be operated as a division of the Gypsum company under the name of Crystallite Products Limited.

Part of a general scheme of expansion in the manufacture of exterior and interior stuccoes, the Hamilton acquisition has already been followed by the completion of arrangements for manufacture and distribution in Toronto and Winnipeg. Similar organization is to be carried out in Montreal.

Fairbanks-Morse Earnings Well-Up

From Our Own Correspondent

MONTREAL.—Earnings of the Canadian Fairbanks-Morse Company for the first six months of this year have more than amply covered dividend requirements on both the preference and common stocks, after liberal provision for income tax, depreciation and other accrued liabilities.

Business in Quebec and the Maritimes was well maintained, being approximately at 1929 figures and well in advance of that attained in 1928. On the Prairies and Pacific coast, the activities of the company were naturally affected by general business conditions and were somewhat below last year's levels. When it is considered that the company supplies the mechanical needs of a wide line of public and private enterprises, results for the half year are considered exceptionally good, in view of general easiness in business.

Canada Dairies' Year Shows Improvement

Canada Dairies, which was formed late in 1928 by the merger of Dunlop, Cranston, Lakeside, Oakland, Beechwood, Pure Gold and Grimsby dairy companies, reports that since the first of the year the business of the company has taken an upward turn. Preferred dividends are stated to have been earned by a good margin but it is not the purpose of the company to pay common stock dividends until the company has established an adequate reserve.

The fact that National Milk Co. of Gananoque has gone into receivership, it is stated, has not affected the company. Canada Dairies had not guaranteed interest payments on National Milk 6½ per cent mortgage bonds except during the period of operation, and it had abandoned the management as soon as the United States tariff increases made the company's success a difficult thing to secure.

WORLD PROGRESS IN HYDROGENATION VITAL TO CANADA

Eventual Use is Assured by British-U.S.-German Arrangements

Canada's comparatively low crude oil production gives great importance to the fact that the world's reserves of gasoline and oil for internal combustion engines in motor cars, motor boats, ships and factories have been indefinitely extended as a result of the experiments made in hydrogenation of coal and petroleum in Germany, England and the United States. Ten years ago experts were quite anxious because visible and likely oil reserves seemed so limited, while now the availability of world's coal reserves, as well as the expanding acreages from which crude oil can be obtained, have lifted the possibility of shortage from the minds of the present generation. Instead, minds are almost wholly occupied by the attempts at curtailment and the fear that threatening over-supply might break prices and render their shares of oil companies unprofitable.

Process is Not Low-Cost

Hydrogenation is not a low-cost process as yet: it is only a wonderful aid to conservation. It helps countries greatly which have large supplies of coal and little or no crude oil. Yet, large companies are making decidedly important steps to use th process. As Standard Oil Co. of N.J. is building plants to use it in the United States, and as I. G. Farbenindustrie is using it for making oil from coal in Germany, it is only a matter of time when it may be used in Canada. Standard Oil has announced that the process will be available for the whole industry through a company formed to control patents and Imperial Oil will doubtless use it in Canada whenever the necessity or desirability becomes apparent.

Lord Melchett is Confident

Lord Melchett, chairman of the board of Imperial Chemical Industries, said at the recent general annual meeting that a semi-technical plant was today producing first-class petrol from British coal. The company, which controls Canadian Industries, is experimenting in various parts of the Empire, and it is negotiating with Standard-I. G. Company of America for mutual co-operation and the pooling of knowledge as well as for exploiting the process. He expects "early practical progress." He says that the application of the new process of the coal industry in Great Britain will result directly and indirectly in a large amount of new employment for workers in Great Britain. This suggests possibilities in Canada from the coal fields of Nova Scotia and of Alberta.

Royal Dutch Shell is also acquiring participating rights in foreign patents. It is probable that Canada will come under some such plan as has been worked out in the United States, providing for the control of the patents by a local group made up of those interested in their development and use here.

Exports of Newsprint Below Level for 1929

From Our Own Correspondent

MONTREAL.—Exports of newsprint from Canada during May amounted to 225,251 tons. This was an increase over the 214,342 tons reported in the same month a year ago, and is one of the most favorable showings recorded for any month this year to date.

For the five months ending May, 1930, exports totalled 973,282, as against 990,406 tons in the same five months in 1929. Exports both to overseas and to the United States show a decline, as will be seen from the following comparative table:

	Tons 5 Months 1930	Tons 5 Months 1929
United Kingdom	45,522	60,000
Cuba	4,354	4,780
Jamaica	476	458
Argentina	28,532	14,199
Other Latin America	2,130	3,790
South Africa	6,903	5,911
Australia	21,662	27,483
New Zealand	7,535	9,798
All Other	2,440	787
Overseas Total	119,555	127,206
U. S. A.	853,727	863,200
Grand total	973,282	990,406

Newfoundland Records Heavy Paper Output

From Our Own Correspondent

MONTREAL.—Newfoundland is the only newsprint producing area on the North American continent to show a larger output this year than was the case in 1929, or, for that matter, any other corresponding six months period on record.

According to figures compiled by the News Print Service Bureau, Newfoundland mills produced 140,152 tons during the first six months of the current year. This compares with the previous high record of 122,928 tons in the first half of 1929.

In the first five months of 1930, Newfoundland shipped 34,500 tons of newsprint to the United States, the balance going largely to the United Kingdom.

Thunder Bay Pulpwood Cut Sets New Record

From Our Own Correspondent

MONTREAL.—Thunder Bay district cuts its record harvest of pulpwood, 542,087 cords, during the year ending June 30, 1930. The cut exceeded by nearly 100,000 cords the previous high-water mark of 451,000 cords in 1927-28. The pulpwood is valued at more than $4,500,000.

It is stated that a cord of pulpwood delivered at the mills in Port Arthur is worth about $10.50 per cord. Export pulpwood is worth $12.50 per cord. Of the season's cut, about 392,000 cords were or, will be, exported, and 150,000 is for delivery at the Port Arthur and Fort William mills.

Bell, Gouinlock & Company Limited
Announce the election
of the following Directors
Mr. A. E. Boothe
Mr. G. W. M. Webb
Mr. B. N. Barrett

Toronto, July 15th 1930

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